

MHLONTLO LOCAL MUNICIPALITY

IDP REVIEW 2014-2015



DRAFT

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FOREWORD BY HONOURABLE MAYOR

It is my pleasure and honour to present to you, the community of Mhlontlo, and the second review of the Integrated Development Plan (IDP) for the current term of the council adopted in the council chambers of Mhlontlo Local Municipality in 2014. Then, and having consulted with you, we agreed that our municipality is facing a number of pressing but stubborn social and economic challenges. We identified the most debilitating of these as the unacceptably high rates of poverty and unemployment; the brunt of which falls on the youth, women and children. We also acknowledged that, in order for us to overcome these development deficits, we will have to do all in our power to revive our declining economic base and try to address the decline in population, accelerate the delivery of basic services, particularly water, sanitation, electricity, housing, roads, as well as health and welfare services.

While many of the challenges identified in previous council remain with us today, it is very important that we recognize that things are not exactly the same. Over the three years we have begun in earnest the work of changing the lives of the Mhlontlo community. *We have a good story to tell*, in 2014, more households have access to electricity, welfare grants, water and sanitation than was the case in 2013. During the previous term, efforts to reduce poverty resulted in the existence of the initiatives under the aegis of ASGISA-EC to revive agriculture not only for the purpose of food security, but also as source of income and employment. During this current term of the office ASGISA-EC is no where to be found and that would mean the programmes that were run by ASGISA-EC have stopped. In 2009, the Premier of the Eastern Cape, Honourable Noxolo Kiviet, pronounced Mhlontlo as a Comprehensive Rural Development Pilot Site. Since then, considerable progress has been achieved, especially in the prioritized wards 2 and 13. Another two wards were added which were ward 1 and 11. How we wish that Rural Development Projects and Programmes can expand further to other wards.

The above should serve as a source of inspiration to all of us, and to spur us to work harder, rather than make us complacent. It is a demonstration that, where, and when we are able to work together, a great deal can be achieved in spite of our many constraints. This review therefore offers yet another opportunity to redouble our efforts and our resolve to meet these challenges.

In conclusion, I would like to take this opportunity to thank all the stakeholders who have contributed in the preparation of this review. I also want to reassure you, that both myself, and the rest of the Councillors take the mandate you have given us extremely serious. I therefore invite you to read and understand this document; not only for the sake of knowledge; but because it is the contract that we, as elected representatives, the municipal officials, communities, the business sector and NGO's, OR Tambo District Municipality, provincial and national sector departments, as well as various state agencies, are entering into for a period of three years and beyond. It should guide us and keep us ashore; but should the unfortunate happen; it should help us retrace our steps and to identify and correct mistakes committed.

Together we can do more!

Cllr M. R. Giyose

Mayor

REMARKS BY THE MUNICIPAL MANAGER

Following the council adoption of the first IDP review framework and Process plan in August 2013, the Municipality has been through thorough processes to ensure that we produce once again a credible IDP that responds to the social and economic challenges that confront inhabitants of Mhlontlo Local Municipality. This was made possible through the instrumental support by the Council particularly through its consistent emphasis on an IDP process which is anchored on effective public participation, functional ward committees as central organs of the people in local government as well as through sound intergovernmental interface.

The review of the five year objectives as outlined in the IDP was premised on the analysis of the progress and weaknesses of the previous term as well continuous critical assessment of how far our municipality has invested in building internal capacity to discharge its legislative mandate. The lessons learnt enriched the vision and provided the leadership with tools to map the way forward. It is with this in mind that the reviewed five year objectives and strategies adopted will serve as the guiding torch for the realisation of the ideals of a better life for the people of Mhlontlo. The adoption of Mhlontlo as a Comprehensive Rural Development pilot will add the necessary impetus to our development agenda and as leadership within Mhlontlo we will pay particular attention to collaborative engagement towards ensuring that all spheres of government are accorded the required recognition and provided an opportunity to make a meaningful contribution towards a sustainable development impact.

The strategic thrust of the new overarching strategy is vigorous economic growth, broadening of participation through leveraging the benefits of being a national pilot and thus strengthening of intergovernmental relations and multi – sectoral collaborative development engagement. Key among other things will be the creation of the conducive conditions locally for economic growth that ensures that more participates and share the benefits of that growth. The Municipality is committed in ensuring that the targets set by the government broadly and the policies such as the Expanded Public Works Programs are fully implemented and monitored to archive the desired results, particularly employment creation. Although there is a cry in one the EPWP which is food for waste where the community wish to convert it to monetary means.

We will pay particular attention to introducing seamless business processes and building a coherent municipal institutional environment through focused capacity building programmes to ensure an efficient and effective delivery of services. Major strides will be made to ensure that the objectives and strategies adopted are properly operationalised and effectively implemented through the full implementation of a performance management system. More strides will be made to enhance the capacity of staff to rise to this challenge including establishment of statutory structures to ensure not only compliance with legislative prescripts but to ensure public accountability and sound governance. The Municipality has maintained its rating of high (Credible IDP) in 2013/2014 assessment and the municipality have regressed during 2012/2013 Auditor General report and received adverse opinion and that shows that there is a lot to be done in order to achieved the clean audit.

S.G. Sotshongaye

Acting Municipal Manager

LIST OF ACRONYMS

ARC	Agriculture Research Council
CDW	Community Development Worker
CFO	Chief Financial Officer
COGTA	Department of Cooperative Governance and Traditional Affairs
CPF's	Community Policing Forum
CPPP	Community Public Private Partnership
CSIR	Centre for Scientific Research Industrial Research
DAFF	Department of Agriculture, Forestry and Fisheries
DRDAR	Department of Rural Development and Agrarian Reform
DRLR	Department of Rural Development and Land Reform
DBSA	Development Bank of Southern Africa
DEAT	Department of Environment and Tourism
DEDEA	Department of Economic Development and Environmental Affairs
DoE	Department of Education
DoM	Department of Minerals
DPW	Department of Public Works
DSD	Department of Social Development
DSRAC	Department of Sports, Recreation and Culture
ECDC	Eastern Cape Development Corporation
ECSECC	Eastern Cape Socio-economic Consultative Council
EMPs	Environmental Management Plans
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
GDP	Gross Domestic Product
GDPR	Gross Domestic Product per Region
GIS	Geographic Information System
HDI	Human Development Index
HH	Households
HOD's	Heads of Departments
HTL	House of Traditional Leaders
ICT	Information and Communication Technologies
IDT	Independent Development Trust
IGR	Intergovernmental Relations
IIIP	Integrated Infrastructure Investment Plan
ITP	Integrated Transport Plan
KSD	King Sabata Dalindyebo
LAC	Local Action Committee
LCC	Local Coordinating Committee
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LM	Local Municipality
LTO	Local Transport Operator
LUMS	Land Use Management Systems
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MOA	Memorandum of Understanding
MPCC	Multiple Purpose Community Centre
MTBPS	Medium Term Budget Policy Statement
MTEF	Medium Term Expenditure Framework

NGO's,	Non-Governmental Organization
NHBRC	National Homebuilders Registration Council
NSDP	National Spatial Development Plan
OHS	Occupational Health And Safety
ORTDM	OR Tambo District Municipality
OTP	Office of the Premier
PPP	Public Private Partnership
SAPS	South African Police Service
SASSA	South African Social Security Agency
SCM	Supply Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SLA	Service Level Agreement
TRALSO	Transkei Agricultural Land Service Organisation
UFH	University of Fort Hare
WMP	Integrated Waste Management Plan
WSA	Water Service Authority
WSDP	Water Services Development Plan
WSU	Walter Sisulu University

EXECUTIVE SUMMARY

An Integrated Development Plan, adopted by the Municipal Council, is the key strategic planning tool for the Municipality development. It is described by the Municipal Systems Act 32 of 2000 35(1)

- (a) is a principal Strategic Planning instrument which guides and informs all planning and development and all decisions with regard to planning, management and development, in the Municipality;
- (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between the municipality's and its integrated development plan and national or provincial legislation, in which case such legislation prevails.

This review is the first since the inauguration of the current Council in 2011. It has been prepared in compliance and in line with the IDP framework and Process Plan and approved by Council on the 31st of August 2012. The IDP framework and Process Plan defines the institutional mechanisms as well as a series of activities to be followed in the course of the review.

Mechanisms for public participation have been conducted wherein wards were given an opportunity to reprioritise their needs. Ward committees together with other stakeholders such as Traditional Authorities, business sector and NGO's were also participations in the IDP Representative Forums which were convened and chaired by the Mayor. National and Provincial Sector Departments, state owned organs, strategic partners of the Municipality such as the Provincial Office, as well as the OR Tambo District Municipality formed part of the IDP Steering Committee meetings and IDP Representative forums.

A detailed analysis of the state of development within the municipal area was carried out which confirmed the following:

- **The Mhlontlo population has decreased and remains predominantly female and youthful. This reality requires the municipality to further strengthen development interventions that are targeted towards special programs such as children, youth, women, and people with disabilities.**
- **The number of households and density thereof has also decreased. A significant but related observation has been the dramatic decrease in the number of town houses followed but increase shacks i.e. informal settlements. In planning the delivery of household services, town development and housing delivery, the municipality will take these dynamics into consideration.**
- **With one out of six people being HIV positive, the scourge continues to pose a threat of reversing even the gains made by the municipality towards addressing its development deficits. Revamping the health system is thus of paramount importance to the municipality's fight against the spread of HIV as well as for a healthy population.**
- **Education and literacy levels remain considerably low. This challenge has the potential to completely undermine efforts to break the chain of intergenerational poverty.**
- **Although some improvements have been observed in the recent past, poverty and unemployment remain the most pressing challenge for the municipality.**
- **While more and more households are slowly gaining access to electricity, water, sanitation and housing, backlog remains huge.**

- **Although the Municipality is gaining more access to energy, it is not under RED and also is not WSA.**

An analysis of the internal institutional arrangements, financial planning and management, and governance highlighted the following:

- **Municipal administration has begun to consolidate itself over the last two years. Critical steps have been taken towards the establishment and revision of all institutional policies including the organisational performance management system.**
- **Some critical staff vacancies have been filled and our ability to retain staff has not improved.**
- **Challenges remain especially with respect of information and communication systems, there are noticeable attempts toward administration improvement;**
- **The municipal capacities to raise own revenue continues to pose a challenge to its financial viability. Grants and subsidies therefore continue to be our major source of income.**
- **In the last year we have taken major steps towards addressing many of the issues raised by the Auditor General and that resulted to an improvement in Audit Opinion. Public participation systems and structures continue to form a strong pillar of our governance. Despite many challenges, ward committees and Traditional leaders remain functional while efforts to strengthen participation of the business sector continue to preoccupy us.**

Over the past five years we have made strides towards improving spatial planning within the municipality. In partnership with ASGISA-EC and CSIR we have produced an “Infrastructure Atlas” which allows us to better understand the nature and extent of infrastructure requirements and, consequently, better plan and prioritize our investments. Plans are also afoot to complete a municipal-wide Spatial Development Framework as well as the Land Use Management Systems. Many of our sector plans have been reviewed during 2012-13 and others are due to be reviewed in the coming financial year.

The Municipality through the LED department managed to forge a partnership with TSIBA Business Support Services (TBSS). This partnership has developed programmes which put Mhlontlo in a map, resulting in the creation of an investor friendly environment.

Informed by the above analysis, a thorough development of our development strategies has been carried out. From this, a municipal-wide scorecard with targets for the next four years has been developed which, in turn will lay the basis for the annual operational plans (SDBIP) and the performance agreements for the Section 57 managers. Our key objectives over the medium term remain as follows:

- **Expediting the reduction of service delivery backlogs;**
- **Addressing absolute poverty, food security and reduction of youth unemployment;**
- **Ramping up economic growth by giving special focus to the growth and development of the agriculture and forestry, as well as tourism economic sectors**

The objectives are to be supported by politically strong, transparent, responsive, administratively strong municipal governance. In this regard, this review will pay particular attention to the strengthening public participation and Intergovernmental Relations as these are the cornerstones of our developmental agenda.

CHAPTER ONE: REVIEW PROCESS

1.1 Background and legal framework

The Constitution of the Republic of South Africa (Act 108 of 1996) provides the legal basis to the existence and functioning of the local sphere of government. In section 152 (1) the constitution directs local government to:

- **provide democratic and accountable government for local communities;**
- **ensure the provision of services to communities in a sustainable manner;**
- **promote social and economic development;**
- **promote a safe and healthy environment and**
- **encourage the involvement of communities and community organizations in the matters of local government.**

Section 153 provides further that municipalities must:

- **Structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community and promote the social and economic development of the community and**
- **Participate in the national programmes**

To give concrete expression to the constitutional provisions Section 25(1) of the Local Government Municipal Systems Act (Act 32 of 2000) provides that, each municipal council must, within prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality. In Section 34, of the Local Government Municipal Systems Act 32 of 2000 provides that a municipal council must review its Integrated Development Plan (IDP); Annually in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand.

In compliance with the above legislative prescripts, the Mhlontlo Local Municipality hereby presents its IDP Review for the 2014/2015 financial year end.

1.2 Institutional Arrangements

Within its powers and functions, and to enable it to exercise oversight over the IDP review, the council approved the establishment of the IDP Steering Committee and IDP Representative Forum. In addition, and to allow the various stakeholders an opportunity to access the review process, the following structures were also approved.

Municipal Council	The Municipal Council serves as a highest decision making body for the purpose of the IDP formulation and review. Its main role includes: <ul style="list-style-type: none">• Consideration and adoption of the process plan• Consideration, adoption and approval of the Draft IDP• Consideration, adoption and approval of the Final IDP.
Executive Committee	As the senior governing body of the Municipality, they have to: <ul style="list-style-type: none">• Decide on the IDP Process Plan• Responsible for the overall management, co-ordination and monitoring of the processes and drafting of the IDP or delegate this function to the Municipal Manager.
Councillors	Councillors are the major link between the Municipal Government and the residents. Their role is to:

	<ul style="list-style-type: none"> • Link the planning process with their respective constituencies • Responsible for the organization of public consultation and participation meetings.
IDP Representative Form	<p>The IDP Representative Forum provides an organizational platform for external stakeholders to debating issues and contributing to finding of workable solutions to existing and competing community needs. This forum is chaired by the Mayor and is responsible for:</p> <ul style="list-style-type: none"> • Providing a platform for effective representation of the views and opinions of the different interest grouping within Mhlontlo IDP Process; • Participation of all municipal stakeholders in the processes of the Municipal Planning and decision making that affect their lives. Thus implementing the requirements of chapter four of the Municipal Systems Act (Act 32 of 2000); • Giving input in the performance management process of the municipality <p>The IDP Representative forum consists of the following groupings and individuals:</p> <ul style="list-style-type: none"> • Executive Committee Members • Councillors • Municipal Administration • Ward committees • Community Development Workers • Traditional Leaders <p>Government Departments and parastatals, i.e;</p> <ul style="list-style-type: none"> • Department of Rural Development and Agrarian Reform; • Department of Roads Public Works; • Department of Education; • Department of Health; • Department of Social Development; • South African Police Services; • Department of Justice and Constitutional Development; • Department of Local Governant and Traditional Affairs; • Department of Rural Development and Land Reform; • Department of Water Affairs; • Department of Correctional Services; • Department of Home Affairs; • Department of Economic Development, Environmental Affairs and Tourism; • Department of Sport, Arts and Culture; • Department of Labour; • Eskom; • Non-governmental Organisation; • Youth Organisation; • Farmers Association; • Community Police Forum; • Organised Labour; • Faith Based Organisation; • Special Programmes and

	<ul style="list-style-type: none"> • Business Fraternity;
Steering Committee	<p>The IDP Steering Committee serves as an organizational platform for the purpose of information exchange, debating and finding common ground on suitable technical solutions to key planning challenges.</p> <p>It is comprised of the following individuals and entities:</p> <ul style="list-style-type: none"> • Mayor's office • Municipal Managers office • Chief Whip and Speakers office • Local Economic Development • Budget and Treasury Office • Community Services • Infrastructure Development and Planning • Corporate Services <p>Invitation to participate in the IDP Steering Committee is also extended to the OR Tambo District and DLG&TA as well as key informants within the regional and District offices of Provincial operating within the Mhlontlo Local Municipality areas.</p> <p>The main responsibilities of the IDP Steering Committee are to:</p> <ul style="list-style-type: none"> • Serve as platform for engaging stakeholders and debating of technical solutions to identify development challenges; • Provide secretariat to the representative forum and issuing invitations and reminders for the scheduled meetings to ensure maximum participation; • Give inputs on content issues and where necessary commission in-depth studies on particular issues then make informed recommendations on way forward; • Define terms of reference of the IDP representative forum; • Assist with technical inputs on the project task teams; • Respond to comments from sector departments and facilitate communications; • Comments on the draft and final reports; • Municipal head of departments are also tasked to lead interdepartmental teams in investigating particular thematic issues relating to their line functions for purposes of this IDP process.
Community Participation	<p>Broad stakeholder partnership is critical objective of the IDP. Community's interface within the IDP review process at various levels including by:</p> <ul style="list-style-type: none"> • Participating in the IDP representative forum; • Informing interest groups; communities and organizations on relevant planning activities and other outcomes; • Analysis, determining priorities, negotiating and reaching consensus; • Participating in the designing of project proposal and/or assessing them; • Discussing and commenting on the draft IDP.

	<ul style="list-style-type: none"> • Ensuring that annual business plans and budgets are based on and linked to IDP; • Monitoring performance in implementation of the IDP; and • Conducting meetings or workshops with groups, communities or organizations to prepare for and follow up on relevant planning activities.
Provincial Government, Local Government, Sector Departments and Service providers.	<p>The role of sector departments in the IDP process is to:</p> <ul style="list-style-type: none"> • Ensure horizontal alignment of the IDP of the District with the province; • Ensure vertical/sector alignment between Provincial Sector Department/Provincial Strategic Plans and IDP processes at District and Local level; • Promote efficient financial management of provincial grant; • Facilitate and monitor progress of the IDP process; • Enable resolution of dispute related to IDP; • Assist the Municipality in the IDP drafting process where required; • Organize IDP related trainings where required; and • Coordinate and manage the MEC's assessment of IDP's.
IDP Manager	<p>The role of the IDP Manager is to:</p> <ul style="list-style-type: none"> • Ensure preparation and adoption of the IDP process plan; • Undertake overall management and coordination of the IDP preparation process; • Ensure that relevant IDP structures are in place and are encouraged to contribute effectively to the drafting process; • Ensure participation and involvement of all relevant role players, that timeframes are adhered to and that the planning process is aligned to the framework plan of the OR Tambo District; • Chair the IDP Steering Committee in the absence of the Municipal Manager and planning sessions; and • Ensure that the IDP document is completed and tabled to the council for adoption and Submitted to the Office of the MEC.

1.3 IDP Review Process Plan

The Local Government Municipal Systems Act 32 of 2000 require the Municipality to draw up an IDP process plan which details the institutional arrangements, work plan and public participation. On the 30th August 2013 the IDP Framework and Budget process plan was tabled before the council for approval and it was approved.

The review process is conducted over five phases as follows:

<p>Phase one State of development analysis</p>	<p>1. State of development report will cover:</p> <ul style="list-style-type: none"> • Level of access to basic household services; • Level of access to social services; • State of poverty and unemployment; • State of economic development; • Identification of community needs; • Institutional capacity and financial viability; • Analysis of major development challenges;
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	<ul style="list-style-type: none"> • Identification of priority issues for 2014/15 IDP review.
Phase two Objectives and Strategies	2. A report setting out the: <ul style="list-style-type: none"> • Municipal vision; • Five priority objectives; and • Strategies for attaining objectives.
Phase three Projects identification and selection	3. A matrix showing <ul style="list-style-type: none"> • Project list with targets, Budget, beneficiaries and location; • Project cost estimates over the MTEF.
Phase four Integration and alignment	4. A report entailing <ul style="list-style-type: none"> • A review of sector plans; • Institutional policies; • Three year financial plan
Phase five Approval	5. Final draft <ul style="list-style-type: none"> • Tabling of the draft and final IDP to the council for approval; • Submission of IDP to the office of the MEC

The Local Government Municipal Systems Act 32 of 2000 requires that, as part of IDP process plan, the Municipality should adopt a clear activity plan. The activity plan below is part of the review process.

1.3.1 ACTIVITY PLAN

PROCESS	ACTIVITY	TIME FRAME		RESPONSIBILITY
	JULY 2013 (PREPARATION PHASE)			
IDP	<ul style="list-style-type: none"> Development of IDP Framework and Process Plan IDP Stakeholder Registration Establish and Launch IDP Representative Forum (consultation on the draft IDP Framework and Process Plan) Adoption of the IDP Framework and Budget Process Plan 	02 Jul – 12 Aug 2013 06 Aug 2013 18 Sept 2013 30 Aug 2013		Strategic Manager Strategic Manager Strategic Manager Strategic Manager
BUDGET	<ul style="list-style-type: none"> Development of a budget time schedule Submit section 52(d) report to council. 	01 – 19 Jul 2013 31 Jul 2013		CFO CFO
PMS	<ul style="list-style-type: none"> Submission of Draft SDBIP 2013/14 and Draft Annual Performance Agreements to the Mayor Submission of Draft 4th Quarter Performance Report 2012/13 to Executive Committee Finalise 2013/14 performance agreements Mayor tables SDBIP & submission of 4th quarter report to Council 	16 July 2013 15 July 2013 31 July 2013 31 July 2013		All Senior Managers Strategic Manager Municipal Manager Mayor
	AUGUST 2013 (PREPARATION – ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Advertisement and Circulation of IDP Framework & Process Plan Data Collection (community based Analysis) 	30 Aug – 18 Sept 2013 26 – 04 Oct 2013		Strategic: IDP Strategic: IDP
BUDGET	<ul style="list-style-type: none"> Preparation of Annual Financial Statements Annual Financial Statement submitted to AG 	12 August 2013 31 August 2013		CFO CFO
PMS	<ul style="list-style-type: none"> Submit Annual Performance Agreements to Council & MEC DLGTA Submission of Draft Annual Performance Report 2012/13 to AG Make public SDBIP 2013/14 	8 August 2013 31 August 2013 5 - 8 August 2013		MM Strat's Office: IDP Strat's Office: IDP
	SEPTEMBER 2013 (ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Evaluate outstanding sector plan requirements and additional analysis where necessary Data Collection cont., Analysis and Interpretation IDP Representative Forum Meeting (IDP September Month) 	2 – 14 September 2013 04 October 2013 12 September 2013		All departments Strat's Office: IDP Strat's Office: IDP
BUDGET	<ul style="list-style-type: none"> Establish/ Review current institutional budget committee Circulate budget schedules to all departments. Consultation of the Local municipalities Preparation of consolidated AFS Submission of consolidated AFS to AG 	04 September 2013 13 September 2013 20 September 2013 20 September 2013 30 September 2013		CFO CFO CFO CFO CFO

PROCESS	ACTIVITY	TIME FRAME		RESPONSIBILITY
PMS	<ul style="list-style-type: none"> Circulation of first quarter report template to all departments 	23 September 2013		Strategic Manager
	OCTOBER 2013 (ANALYSIS – STRATEGIES PHASE)			
IDP	<ul style="list-style-type: none"> Inputs by various departments and structures. IDP Steering Committee sits to discuss issues identified during Analysis Phase 	20 September 2013 13 October 2013		Strat's Office: IDP Starts Office: IDP
BUDGET	<ul style="list-style-type: none"> Tariff review by departments Preparation of MFMA Implementation Plan Submit section 52(d) report to council 	25 October 2013 30 October 2013 30 September 2013		All departments CFO Mayor
PMS	<ul style="list-style-type: none"> Consolidation of 1st Quarter Report Discussion of 1st Quarter Report by management First Quarter Report to Council 	30 September – 4 October 2013 7 October 2013 10 October 2013		Strat's Office: All HOD's Strat's Office
	NOVEMBER 2013 (OBJECTIVES & STRATEGIES PHASE)			
IDP	<ul style="list-style-type: none"> Stakeholder consultation continues 	29 November 2013		Strat's Office: IDP
BUDGET	<ul style="list-style-type: none"> Departmental budget inputs for 2014/15 with projected cashflows for the 2014/15 	8 November 2013		All departments
PMS	<ul style="list-style-type: none"> Place 1st Quarter Report on the municipal website Circulation of Section 46 Annual Report Template 	14 November 2013 18 November 2013		Strat's Office: IDP Strat's Office: IDP
	DECEMBER 2013 (STRATEGIES – PROJECT PHASE)			
IDP	<ul style="list-style-type: none"> Situational Analysis Report 	12 December 2013		MM
BUDGET	<ul style="list-style-type: none"> Finalise Departmental budget inputs for 2013/6. Inputs on capital budget with cashflows (MIG) Submission of budget inputs with projected cashflows 	05 December 2013 05 December 2013 13 December 2013		All departments IDAP All departments
PMS	<ul style="list-style-type: none"> Collation of the draft 2012/13 annual report incorporating financial and non-financial on performance, audit reports and annual financial statements. Circulate template for 2nd Quarter and Midterm Performance Report 	13 December 2013 6 December 2013		All Department Strat's Office: CPM
	JANUARY 2014 (PROJECT – INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Strategic Planning session on the Situational Analysis (Prioritisation of needs and draft strategic objectives) Finalisation of Strategic Planning Report. IDP Rep Forum to align projects and programmes of LMs, sector departments and parastatals. 	21-24 January 2014 06 February 2014		Strat's Office: IDP
BUDGET	<ul style="list-style-type: none"> Preparation of mid-year performance assessment Submit section 72 report to council in terms of section 54 (1) (f). Submit section 52(d) report to council. Final departmental/cluster's budget submission with the projected cashflows and all 	31 January 2014 31 January 2014 31 January 2014 31 January 2014		BTO and All HODs All HODs Mayor Accounting Officer

PROCESS	ACTIVITY	TIME FRAME		RESPONSIBILITY
	<ul style="list-style-type: none"> supporting documents Submission of inputs on adjustment budget Review proposed national and provincial allocations to the municipality for incorporation into the draft IDP 	31 January 2014		All HODs All HODs
PMS	<ul style="list-style-type: none"> Work session on Mid-term Assessment Submission of mid-term report by all departments Present Draft Annual report & Mid-term report to Management. Mayor tables Annual Report (2013/14) & Mid Term assessment report for 2013/14 to Council 	14 January 2014 15 January 2014 20 January 2014 31 January 2014		All HODs All departments Strat's Office Mayor
FEBRUARY 2014 (INTEGRATION PHASE)				
IDP	<ul style="list-style-type: none"> IDP Steering Committee – Draft IDP 	11 February 2014		All HODs
BUDGET	<ul style="list-style-type: none"> Work Session on the Adjustment Budget and revised SDBIP Adjustment Budget and revised SDBIP EXCO Finalise budget policies and tariff policy. The Mayor presents the adjustment budget to council for approval Consolidation of the 2014/5-2016/17 detailed operational and capital budgets and budget schedules incorporating national and provincial allocations.(Draft Budget) 	3 & 4 February 2014 11 February 2014 18 February 2014 26 February 2014 28 February 2014		All HODs CFO & Strat's Office CFO Mayor CFO
PMS	<ul style="list-style-type: none"> Publicise the 2012/13 Annual report and invite comments from communities. Working session on SDBIP & Adjustment Budget Submit tabled report to AG, National & Provincial Treasury and DLGTA. Mid year performance reviews (top management) Oversight roadshows on the 2012/13 Annual Report 	3 – 7 February 2014 5 – 7 February 2014 14 February 2014 17 – 28 February 2014 20 – 26 February 2014		Strat's Office: All HODs Strat's Office MM Speaker's Office
MARCH 2014 (APPROVAL PHASE)				
IDP	<ul style="list-style-type: none"> Draft IDP& Budget presented to the EXCO. IDP Rep Forum – presentation of Draft IDP & Budget. Draft IDP& Budget tabled to Council 	4 March 2014 11 March 2014 26 March 2014		Strat's Office: IDP Strat's Office: IDP Mayor
BUDGET	<ul style="list-style-type: none"> Finalise draft budget with related policies – budget, tariff, indigent Standing Committee considers the draft budget for 2013/14 – 2015/16 Executive Committee to considers the draft budget for 2013/14 – 2015/16 The Mayor table in Council the annual budget for 2014/15 – 2016/17 and all supporting documents. 	3 March 2014 March 2014 4 March 2014 26 March 2014		CFO Portfolio heads Mayor Mayor
PMS	<ul style="list-style-type: none"> Circulation of Third Term Report template to all departments Approval of 2012/13 Oversight report on the Annual Report Adopt the 2012/13 Annual report with the comments of the Oversight Committee. 	24 March 2014 28 March 2014 28 March 2014		Strat's Office: CPM Council Council
APRIL 2014 (APPROVAL PHASE)				
IDP	<ul style="list-style-type: none"> Draft IDP advertised for public comments 	7 – 28 April 2014		Strat's Office: IDP

PROCESS	ACTIVITY	TIME FRAME		RESPONSIBILITY
	<ul style="list-style-type: none"> Submission of Draft IDP to AG, NT, PT, Legislature and DLGTA Publicise/Advertise the IDP& Budget Roadshow schedule. IDP & Budget Roadshows 	7 April 2014 7 April 2014 14 – 25 April 2014		Strat's Office: IDP Communications Strat's & Speaker's Office
BUDGET	<ul style="list-style-type: none"> Submit to provincial and National Treasury and other affected organs of state. Publicise the 2013/16 tabled budget for communities to submit representations. Consultations on the tabled budget 	10 April 2014 10 April 2014 14 – 25 April 2014		CFO CFO CFO/ Speaker's Office
PMS	<ul style="list-style-type: none"> Submit Annual report to AG, National & Provincial Treasury, Legislature and DLGTA. Compilation of Third Quarter Performance Report Submission of Third Quarter Performance Report to Council 	10 April 2014 7 – 11 April 2014 30 April 2014		Strat's Office: All departments Mayor
	MAY 2014 (APPROVAL PHASE – FINAL IDP & BUDGET)			
IDP	<ul style="list-style-type: none"> Incorporation of community inputs into the IDP. Mayor tables 2014/15 IDP and Budget to Council for final adoption. 	1 – 9 May 2014 22 May 2014		Strat's Office: IDP Mayor
BUDGET	<ul style="list-style-type: none"> Respond to submissions received and if necessary revise the budget for further consideration by relevant committees Finalise budget for adoption incorporating all inputs received Submit section 52(d) report to council. The Mayor table in Council the annual budget for 2013/14 – 2015/16 and all supporting documents for approval 	1 – 9 May 2014 14 May 2014 30 May 2014 30 May 2014		BTO BTO Mayor Council
PMS	<ul style="list-style-type: none"> Drafting of the 2014 - 15 SDBIP & Performance Agreements 	12 – 30 May 2014		All HODs
	JUNE 2014 (POST APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Submission of Final IDP & Budget to AG, National & Provincial Treasury, Legislature and DLGTA Public notice on adoption of IDP 	5 June 2014 9 – 13 June 2014		Strat's Office: IDP Strat's Office: IDP
BUDGET	<ul style="list-style-type: none"> Public notice on adoption of budget Submit approved Budget to National and Provincial Treasuries as well as COGTA. 	9 – 13 June 2014 5 June 2014		BTO CFO
PMS	<ul style="list-style-type: none"> Draft SDBIP & Performance Agreements to the Mayor 14 days after adoption of IDP & Budget Submit approved SDBIP to MEC for Local Government, National and Provincial Treasury. Publicise SDBIP and Performance Agreements Mayor approves Institutional SDBIP within 28 days of Budget approval Approved SDBIP placed on the website 	13 June 2014 10 July 2014 10 July 2104 27 June 2014 27 June 2014		All HODs Strat's office: CPM Strat's office: CPM Mayor COO's office

1.4 Mechanisms and Procedures for Public Participation

Section 19(3) of the Municipal Structures Act 117 of 1998 obliges municipality council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers. Chapter four of the Municipal Systems Act 32 of 2000 makes provisions for the development of a culture of Public Participation. In section 16(1), the Municipal Systems Act 32 of 2000 directs municipalities to encourage, and create conditions for the local community to participate in the affairs of the municipality including in the preparation, implementation and review of its integrated development plan.

Pursuant to these legislative prescripts, a wide range of measures are aimed at enhancing the Public participation in the IDP review process was put in place. In the course of this review these measures have included conducting of ward-based planning, convening of IDP Representative Forum and Mayors IDP Imbizos.

1.5 Our Key Development Objectives

The Mhlontlo Local Municipality key development objectives have been identified and distilled over a number of years. Due to scarce resources, it takes time for the Municipality to meet some of the targets. The Mhlontlo Local Municipality strives to:

- Provide Basic Services and Infrastructure;
- Promote Local Economic Development ;
- Improve the institutional systems;
- Promote economic growth through Agriculture, Tourism and Mining;
- Promote sustainable community livelihood;
- Promote comprehensive Rural Development.

1.6 The Medium Term Strategic Framework (MTSF) and Outcomes Based Approach

The MTSF is meant to guide planning and resource allocation across all the spheres of government. National and Provincial departments had to develop their five year strategic plans and budget requirements taking into account the medium-term imperatives.

Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their Integrated Development Plans in line with the National Medium-Term priorities. The MTSF is reviewed annually during the mid-term Cabinet Lekgoatla in the light of new developments and experience in actual implementation.

The Electoral Mandate of the Ruling party identifies the following objectives:

- Halve poverty and unemployment by 2014;
- Ensure a more equitable distribution of the benefits of economic growth and reduce inequality;

- Improve the nation's health profile and skills base and ensure universal access to basic services;
- Improve the safety of citizens by reducing incidents of crime and corruption; and
- Build a nation free of all forms of racism, sexism, tribalism and xenophobia.

To give effect to the above strategic objectives, the MTFS identifies 10 priorities which government work must be centred around.

- I. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods;
- II. Massive programme to build economic and social infrastructure;
- III. Comprehensive rural development strategy linked to land and agrarian reform and food security;
- IV. Strengthen the skills and human resource base-access to quality education;
- V. Improve health care to all South Africans;
- VI. Intensify the fight against crime and corruption;
- VII. Build cohesive, caring and sustainable communities;
- VIII. Pursuing African Advancement and International relations;
- IX. Sustainable resource management and use; and
- X. Building a developmental state including improving of public services.

The Manifesto and the MTFS were further translated into 12 outcomes through which government performance will be monitored:-

- I. Quality basic education.
- II. A long and health life for all South Africans.
- III. All people in South Africa are safe and feel safe.
- IV. Decent employment through inclusive economic growth.
- V. Skilled and Capable workforce to support an inclusive growth path.
- VI. An efficient, competitive and responsive economic infrastructure network.
- VII. Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- VIII. Sustainable human settlements and improve quality of household life.
- IX. Responsive, accountable, effective and efficient Local Government system.

- X. Protect and enhance our environment assets and natural resources.
- XI. Create a better South Africa, a better Africa, a better world.
- XII. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Although the outcome that relates specifically to the local government is outcome 9, the local government sphere has a role to play in all 12 outcomes as shown on the table below.

12 Outcomes of government

Outcome 1: Improve the quality of basic education		
Outputs	Key spending programmes	Role of local government
<ol style="list-style-type: none"> 1. Improve quality of teaching and learning. 2. Regular assessments to track progress. 3. Improve early childhood development. 4. A credible outcome-focused accountability system. 	<ul style="list-style-type: none"> • Increase in the number of Funza Lushaka bursary recipients from 9300 to 18100 over the 2011 MTEF. • Assess every child in grades 3,6, and 9 every year . • Improve learning and teaching materials to be distributed to primary schools in 2014. • Improve maths and science teaching. 	<ul style="list-style-type: none"> • Facilitate the building of new schools by: • Participating in needs assessments • Identifying appropriate land • Facilitating zoning and planning process • Facilitate the eradication of municipal service backlog in schools by extending appropriate bulk infrastructure and installing connections
Outcome 2: improve health and life expectancy		
Outputs	Key Spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females 2. Reduce maternal and child mortality rates to 30-40 per 1000 births 3. Combat HIV/Aids and TB 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> • Revitalise primary health care • Increase early antenatal visits to 50% • Increase vaccine coverage • Improve hospital and clinic infrastructure • Accredited health facilities • Extended coverage of new child vaccines • Extended HIV 	<ul style="list-style-type: none"> • Many municipalities perform health functions on behalf of provinces • Strngthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV/Aids prevention and treatments • Municipalities must continue to improve

	prevention and treatment <ul style="list-style-type: none"> • Increase prevention of mother-to-child transmission • School health promotion, increase school visits by nurses from 5% to 20% • Enhance TB treatment 	community health services infrastructure by providing clean water, sanitation and waste removal services.
Outcome 3: All people in South Africa are protected and feel safe		
Outputs	Key Spending Programmes	Roles of the Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime 2. An effective and integrated criminal justice system 3. Improve investor perceptions and trust 4. Effective and integrated border management 5. Improve perception of crime among the population 6. Integrity of identity of citizens and residents secured 7. Cyber-crime combated 	<ul style="list-style-type: none"> • Increase police personnel • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities • ICT renewal in justice cluster • Occupation – specific dispensation for legal professionals • Deploy SANDF soldiers to South Africa's borders. 	<ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning and enforcement of municipal by-laws • Direct the traffic control function towards policing high risk violations – rather than revenue collection
Outcome 4: Decent Employment through inclusive economic growth		
Outputs	Key Spending Programmes	Role of the Local Government
<ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth 2. More labour-absorbing growth 3. Strategy to reduce youth unemployment 4. Increase competitiveness to raise net exports and gross trade 5. Improve support to small business and cooperatives 	<ul style="list-style-type: none"> • Invest in industrial development zones • Industrial sector strategies - automotive industry; clothing and textiles • Youth employment incentive • Development training and systems to improve procurement • Skills development and training 	<ul style="list-style-type: none"> • Create an enabling environment for investment by mainstreaming planning application process • Ensure proper maintenance and rehabilitation of essential services infrastructure • Ensure proper implementation of the

6. Implement expanded public works programme	<ul style="list-style-type: none"> • Reserve accumulation • Enterprise financing support • New phase of public works programme 	<p>EPWP at municipal level</p> <ul style="list-style-type: none"> • Design services delivery processes to be labour intensive • Improve procurement systems to eliminate corruption and ensure value for money • Utilise community structures to provide services
Outcome 5: A Skilled and capable workforce to support inclusive growth		
Putputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism 2. Increase access to intermediate and high-level learning programmes 3. Increase access to occupational – specific programmes (especially artisan skilled training) 4. Research, development and innovation in human capital 	<ul style="list-style-type: none"> • Increase enrolment in FET colleges and training of lectures • Invest in infrastructure and equipment in colleges and technical schools • Expand skills development learnerships funded through sector training authorities and National Skills Fund • Industry partnership projects for skills and technology development • National Research Foundation centres excellence and busaries and research funding 	<ul style="list-style-type: none"> • Development and extend intern and work experience programmes in municipalities • Link municipal procurement to skills development initiatives
Outcome 6: An efficient, competitive and responsive economic infrastructure network		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve competitive and regulation 2. Reliable generation, distribution and transmission of energy 3. Maintain and expand road and rail network, 	<ul style="list-style-type: none"> • An integrated energy plan successful independent power producers • Passenger Rail Agency acquisition of rail roling stock and 	<ul style="list-style-type: none"> • Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services • Ensure urban spatial

<p>and energy efficiency, capacity and competitiveness of sea ports</p> <ol style="list-style-type: none"> Maintain bulk water infrastructure and ensure water supply Information and communication technology Benchmark for each sector 	<p>refurbishment and upgrade of motor coaches and trailers</p> <ul style="list-style-type: none"> Increase infrastructure funding for provinces for the maintenance of provincial roads Complete Gauteng Freeway Improvement Programme Complete De Hoop Dam and bulk distribution Nandoni pipeline Invest in broadband network infrastructure 	<p>plans provide for commuter rail corridors, as well as other modes of public transport</p> <ul style="list-style-type: none"> Maintain and expand water purification works and waste water treatment works in line with growing demand Cities to prepare and receive the developed public transport function Improve maintenance of municipal road network
Outcome 7: Vibrant, equitable and sustainable rural communities and food security		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> Sustainable agrarian reform and improved access to markets for small farmers Improve access to affordable and diverse food Improve rural services and access to information to support livelihoods Improve rural employment opportunities Enable institutional environment for sustainable and inclusive growth 	<ul style="list-style-type: none"> Settle 7000 land restitution claims Redistribute 283 592ha of land use by 2014 Support emerging farmers Soil conservation measures and sustainable land use management Nutrition education programmes Improve rural access to services by 2014: - water -92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92% 	<ul style="list-style-type: none"> Facilitate the development of local markets for agricultural produce Improve transport links with urban centres so as to ensure better economic integration Promote home production to enhance food security Ensure effective spending of grants for funding extension of access to basic services
Outcome 8: Sustainable human settlements and improved quality of household life		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> Accelerate housing delivery Improve property markets 	<ul style="list-style-type: none"> Increase housing units built from 220 000 to 600 000 a year Increase construction 	<ul style="list-style-type: none"> Cities must wait to be accredited for the housing function Develop spatial plans to

3. More efficient land utilisation and release of stateowned land	<p>of social housing units to 80 000 a year</p> <ul style="list-style-type: none"> • Upgrade informal settlement: 400 000 units by 2014 • Delever 400 000 low-income houses on stateowned land • Improve urban access to basic services: - water - 92% to 100% - Sanitation - 69% to 100% - Refuse removal - 64% to 75% - Electricity – 81% to 92% 	<p>ensure new housing developments are in line with national policy on integrated human settlement</p> <ul style="list-style-type: none"> • Participate in the identification of suitable land for social housing • Ensure capital budgets are appropriately prioritised to maximum existing services – water – 92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92%
Outcome 9: A response and accountable, effective and efficient local government system		
Outputs	Key spending programmes	Roles of Local government
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support. 2. Community work programme. 3. Support for human settlements. 4. Refine ward committee model to deepen democracy. 5. Improve municipal financial administrative capacity. 6. Single coordination window. 	<ul style="list-style-type: none"> • Municipal capacity-building grant. • Systems improvement • Financial management (target: 100% unqualified audits) • Municipal infrastructure grant • Electrification programme • Public transport & systems grant • Bulk infrastructure & water grant • Neighbourhood development partnership grant • Increase urban density • Informal settlements upgrades 	<ul style="list-style-type: none"> • Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality • Implement the community work programme • Ensure ward committees are representative and fully involved in community consultation processes around the ID, budget and other strategic service delivery issues • Improve municipal financial and administrative capacity by capacity by competency norms and standards and acting against incompetence and corruption

Outcome 10: Protection and enhancement of environmental assets and natural		
Outputs	Key spending programmes (National)	Roles of local government
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources 2. Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality 3. Sustainable environmental management 4. Protect biodiversity 	<ul style="list-style-type: none"> • National water resource infrastructure programme • Expanded Public Works environmental programmes • Biodiversity and conservation 	<ul style="list-style-type: none"> • Develop and implement water management plans to reduce water losses • Ensure effective maintenance and rehabilitation of infrastructure • Run water and energy saving awareness campaigns • Ensure development does not take place on wetlands
Outcome 11: A better South Africa, a better and safer Africa and World		
Outputs	Key spending programmes (National)	Roles of local government
<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development 2. Enhance regional integration 3. Reform global governance institutions 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> • Proposed establishment of South African Development Partnership Agent • Defence: peace support mechanisms • Border control: upgrade inland ports of entry 	<ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained • Creating an enabling environment for investment
Outcome 12: A development oriented public service and inclusive citizenship		
Outputs	Key Spending Programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve government performance 2. Government wide performance and monitoring 3. Conduct comprehensive expenditure review 4. Celebrate cultural diversity 	<ul style="list-style-type: none"> • Performance monitoring and evaluation • Stats SA: Census 2011 – reduce undercount • Sport and Recreation: Support mass participation and school sport programmes 	<ul style="list-style-type: none"> • Continue to develop performance monitoring and management system • Comply with legal financial reporting requirements • Review municipal expenditures to reduce wastage

		<ul style="list-style-type: none"> • Ensure councils behave in ways that restore trust in local government
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1.7. The Millenium Development Goals (MDGs)

The set of eight Millenium Development Goals were agreed to by all nations of the world and by global leaders of strategic development institutions, and aims at halving extreme poverty, halting the spread of HIV/Aids, and providing universal primary education by 2015. The goals are as follows:

- Halving extreme poverty and hunger;
- Access to universal education;
- Gender equity;
- Child health
- Maternal health;
- Combating HIV and Aids;
- Environmental sustainability; and
- Promotion of global partnerships.

While leaders throughout the world have undertaken unprecedented efforts to achieve these goals, much still needs to be done. This IDP, like all other development plans, presents an opportunity to do so.

1.8. The National Development Plan (Vision 2030)

In 2009 when the ckurrent leadership of the country took office, two shortcomings were identified in the administration that needed immediate correcting. One was the lack of performance monitoring mechanisms, to fill the monitoring gap, a Ministry and department responsible for performance monitoring and evaluation was established. The second was the need to introduce long-term planning so that government could align its policies with a long-term development plan. The intention was to move away from silos and narrow-minded planning and look at our country as one holistic entity that should develop comprehensively, in every corner. The Ministry for the National Planning Commission in the Presidency was established to fulfil this task.

Experts in the areas: - economics, finance, social services, rural development, energy, public policy and governance, infrastructure development, urban and regional planning, education and training, health, agriculture and food security, climate change, local government and scenario planning were appointed to work with Minister Manuel as commissioners in the National Planning Commission. The team at National Planning commission was asked to produce reports on a range of issues that impact on the country's long-term development, such as wate security, climate change, food

security, energy security, infrastructure planning, human resource development, defence and security matters, the structures of the economy, spatial planning, demographic trends and so forth. The National Planning Commission conducted its work guided by the Constitution of the Republic, and the end result was the National Development Plan (NDP) which outlines what type of society the country must build. The National Development Plan offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

As a long-term strategic plan, it serves four broad objectives:

1. *Providing overarching goals for what we want to achieve by 2030.*
2. *Building consensus on the key obstacles to us achieving these goals and what needs to be done to overcome those obstacles.*
3. *Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the NDP.*
4. *Creating a basis for making choices about how best to use limited resources.*

The plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality.

The core elements of a decent standard of living identified in the plan are:

- *Housing, water, electricity and sanitation,*
- *Safe and reliable public transport,*
- *Quality education and skills development,*
- *Safety and security,*
- *Quality health care,*
- *Social protection,*
- *Employment,*
- *Recreation and leisure,*
- *Clean environment,*
- *Adequate nutrition.*

1.8.1. Role/implications for Local Government

The plan highlights the need to strengthen the ability of local government to fulfil its development role. Municipal Integrated Development Plans (IDPs) need to be used more strategically to focus attention on critical priorities in the NDP that relate to the mandate of local government such as spatial planning, infrastructure and basic services. The municipal IDPs should therefore be used to

focus on aspects of the NDP that fit within a municipality's core responsibilities. This way, the IDP process will become more manageable and the participation process more meaningful, thus helping to narrow the gap between the aspirations contained in these documents and what can actually be achieved.

1.9. Issues raised during the 2013/2014 IDP Assessment

KPA	RATING 2009/10	RATING 2010/11	RATING 2011/12	RATING 2012/13	RATING 2013/14
Spatial Development Framework	Medium	High	High	High	High
Service Delivery	Medium	Medium	High	Medium	High
Financial Viability	High	Low	High	Medium	Medium
Local Economic Development	Medium	Medium	High	High	High
Good Governance & Public Participation	Low	Medium	High	High	High
Institutional Arrangements	Low	Low	Medium	High	Medium
Overall Rating	Medium	Medium	High	High	High

The Municipality has to improve on two Key Performance Areas Institutional Arrangement and Financial Viability.

CHAPTER TWO: SITUATIONAL ANALYSIS

2.1 Description of the Locality



Source: Municipal Demarcation Board

Mhlontlo Local Municipality is a B4 rural Municipality incorporating Qumbu and Tsoalo rural towns. It lies on the North East side of the Eastern Cape Provincial border alongside the N2 route between Mthatha and Mt. Frere and R396 between Tsoalo and Maclear. It is bordered by King Sabata Dalindyebo Local Municipality to the South, Nyandeni Local Municipality to the East; both under OR Tambo District Municipality, Umzimvubu Local Municipality to the North and Ntabankulu on the North East, both are under the Alfred Nzo District Municipality and Elundini Local Municipality to the West which is under the Joe Gqabi District Municipality.

Mhlontlo Local Municipality was established in terms of section 12 of the Local Government: Municipal Structures Act (Act 117 of 1998). As a result of this act, two Transitional Local Council, Qumbu TLC and Tsoalo TLC and their respective Transitional Council were established to form one Municipality-Mhlontlo Local Municipality. It is one of the five municipalities that constitute OR Tambo District Municipality which falls under the Province of the Eastern Cape. The municipal area covers 282, 614km² and has a population density of 73.3 people per km².

2.2 Settlement Patterns

2.2.1 Spatial Dynamics

About 95% of the Municipal Population live in rural areas with the remaining 5% found in urban areas. Spatially, the municipality incorporates two main urban centres namely Tsoalo and Qumbu. While most rural settlements are characterised by large uneven and low level of services, peri-urban

and settlements near major intersections and on major routes have developed into rural service nodes.

2.2.2 Household number and Density

Table 1 below indicates that in 2011 the total number of households stood at 43,414; decrease of 0.98% from 44,494 four years earlier, at an average rate 4.3% per annum. In the same period the number of households per km² has also decreased from roughly 15.8% in 2008 to 14.4% in 2011. Another noteworthy observation is that the household size has stayed the same for the last eight years following its marginal decline from 4.7% in 2000 to 4.3% in 2011.

Table 1: HH Dynamics

Year	1995	2000	2005	2008	2011
Household total	37.623	42.602	44.155	44.494	43414
Population Density (People per Sq Km)	64.9	70.9	72.9	73.3	66.5
Household Density (Household per Sq Km)	13.3	15.1	15.6	15.8	15.2
Household Size	4.9	4.7	4.7	4.7	4.3

Source: ECSECC

2.2.3 Dwelling Types

Consistent with the rural nature of the municipal settlement, **table 2** below shows the traditional structures as the predominant (71% of households) form a dwelling. Similarly, it is important to take of the fact that the number of Traditional Dwellings has decreased by 4.6% from 30 202 in 2001 to 27 322 which is 4.3% in 2011. Alongside there is a decrease in informal structures by 19.6%. At the same time, brick structures on the separate stand as well as houses/flats in the backyards have increased by 21.9% and 34.1% respectively.

Table 2: Number of Households by Dwelling Types

	2001	2011
Formal Dwellings	11 497	14 785
Informal Dwellings	1 264	1 016
Traditional Dwellings	30 202	27 322
Other/unspecified Dwellings	610	291
Total	43 573	43 414

Source: SSA 2011

2.3 Demography and Population Flows

2.3.1 Number of people

As shown in **Table 3** below, in 2011 there were 188 226 inhabitants within the Mhlontlo Municipality. This number represents a total decrease of 7,25% (14 707 people) since 2001 at an annual rate of roughly 0,73%. At this rate, Mhlontlo go down 7.3% almost half the rate of OR Tambo District. The Mhlontlo population decrease compared to other Municipalities is among highest in the Eastern Cape Provincial Population. Black constitute 96 % of the total population while the coloured and Indians/Asians are less than 2%

Table 3: Population Growth by OR Tambo Municipalities, (2001 – 2011)

MDB Name	Name	Total population 2001	Total population 2011	Population change 2001-2011	% Growth 2001-2011
DC 15	OR Tambo District Municipality	1676580	1364943	311637	18.6
EC 153	Qaukeni Local Municipality	254479	278481	24002	8.6
EC 154	Port St Johns Local Municipality	146966	156136	9170	5.9
EC 155	Nyandeni Local Municipality	274415	290390	15975	5.5
EC 156	Mhlontlo Local Municipality	202933	188226	14707	7.3
EC 157	King Sabata Dalindyebo Local Municipality	416345	451710	35365	7.9

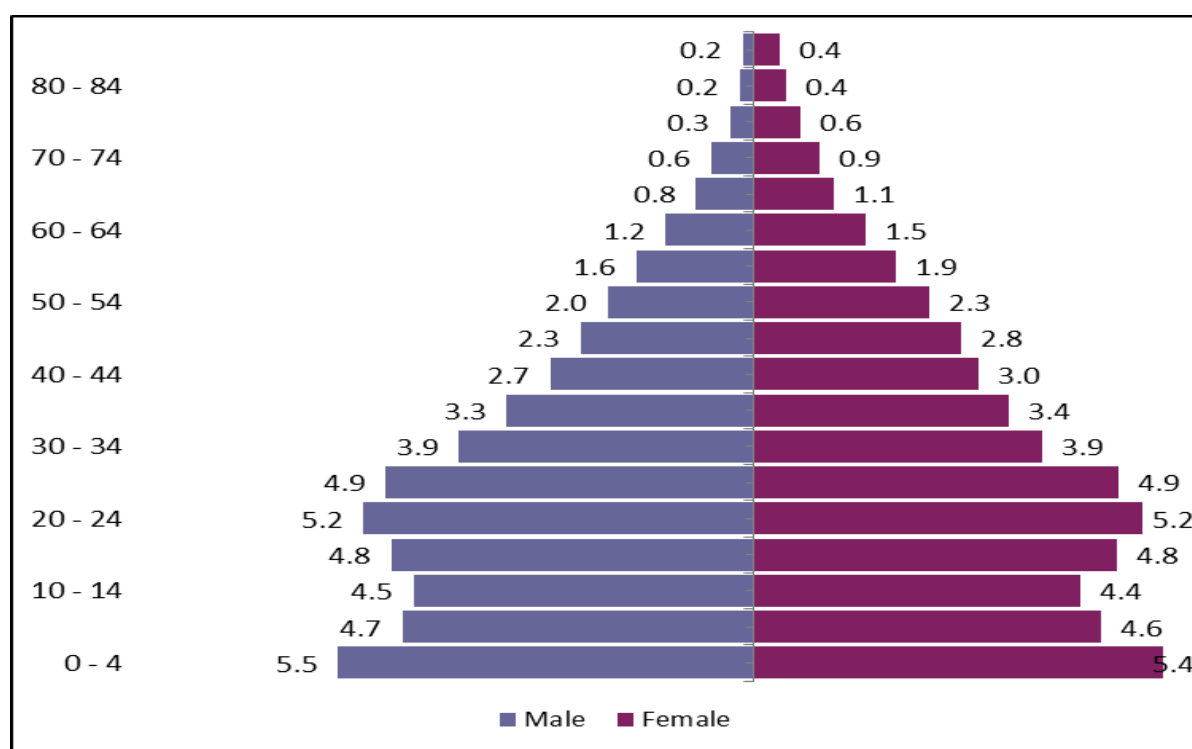
Source: SSA – 2011

The comparatively decrease in population suggest that municipality has experienced negative net migration. While it is not immediately clear why the municipality is experiencing low population growth rate, this is nonetheless significant since it indicates a low propensity of Mhlontlo population not to remain within the municipality rather migrate to areas with higher economic potential.

2.3.2 Population Age and Gender Structure

According to the Statistics South Africa Survey (SSA, 2011), and in keeping with the general National trends, women constitute the majority (87%) of the Mhlontlo population. **Chart 1** below indicates that 38,31% of the population is below age 14; about 32,72% are between 15 and 34 years of age while those age between 35 and 64 years constitute 21,77% of the population. These figures also indicate that children and youth (from birth to age 34) constitute the majority (71,03%) of the population.

Chart 1: Mhlontlo Population by Age and Gender [2011]



Source: SSA-2011

2.3.3 HIV/AIDS

HIV/Aids have an effect of reducing household savings both in absolute terms and as a percentage of household income. It is also likely to change financial planning as well as the composition of the household expenditure. It lowers the life expectancy, which, in turn, results in poor investment in retirement while medical costs as a percentage household expenditure can be expected to increase. The cumulative effect is the reduction in household and government savings which, in turn, results in reduced investments, less productive employment, lower incomes and slower of gross national product.

Due to its high prevalence among the economically active populations, HIV/Aids has an effect of reducing both quantity and quality of available labour. The death of household head is also considered to have intergenerational consequences, which include lower level of educational attainment. Social capital costs manifests in a form of disruptions and erosion of social networks and traditional support mechanisms.

The Department of Health, Mhlontlo Sub-District has issued on at the end of December 2012 a HIV/Aids Stats Data, roughly HIV pre-test counseled was 35,165; HIV client tested was 33,997; HIV tested positive 3,780; lastly children under 15 years on Art were totaled to 314 and tested positive for HIV adult 15 years and older were totaled to 4449.

2.4 Socio-economic development

2.4.1 Number of Adults by Highest Level of Education

Education is known to expand the range of options from which a person may choose and thus creates opportunities for a fulfilling life. It satisfies the basic human need for knowledge and skills. It

provides a means of meeting basic needs, provided that adequate employment opportunities exist, and also helps sustain and accelerate overall development. The level of education of the population in the region influences its welfare through the indirect effects on health, fertility and life expectancy. Education helps to increase the value of other forms of social and physical investment.

According to Statistics South Africa data 2011, roughly 27, 669 or 14.7% of the population has no education. Another 4894 or 2.6% has higher education or gone beyond grade 12 or matriculation. Also 23152 or 12.3% has grade 12 or matriculation and 179 191 or 95.2 has Primary Education Enrolment (aged 6-13). While figures on gross enrolment, drop out, and pass rates are not immediately available, it can be reasonably concluded that the low level of formal education are due to high drop-out rate which is a result of mainly a combination of:

Table 4: Level of Education

Description	Census 2001	Census 2011
No Schooling	35.8	14.7
Higher Education	4.1	2.6
Matric	8.6	12.3
Primary Educational Enrolment (aged 6-13)	94.0	95.2

Source: SSA-2011

Poor Access to School: the number of schools, their location and quality of infrastructure.

Social Factors: High rates of income poverty, teenage pregnancy, HIV/Aids prevalence.

A significant number (43%) of the population is below age of 15 and therefore of school-going age. Giving this area more attention provides the municipality with an opportunity to drastically improve the general levels of education in the near future. A secondary challenge however, is the ability to create sufficient opportunities to fully absorb the throughput from the schooling system with the local municipality.

2.4.2 Literacy Rates

An indirect impact of low education levels is poor rates of functional literacy. Defined as the proportion of persons aged 20 and above that has completed grade 7, functional illiteracy is a term used to describe reading and writing skills that are inadequate to cope with the demands of everyday life – including the demands posed in conducting day-to-day activities in the work place. This is contrasted with illiteracy in the strict sense, meaning the inability to read or write simple sentences in any language. Functional literacy is believed to promote economic growth by strengthening the basic literacy capacity and professional skills of individuals - and ultimately reducing poverty. Functionally illiterate people are unlikely to take advantage of the opportunities that are thrown up by the permeation of the information and communication technologies (ICTs).

Research has found that, adults with better literacy skills are more likely to be employed, and earn more, than those with poorer literacy skills, even when taking into account of other factors which affect work performance.

For purposes of this report, functional literacy is defined as the proportion of persons aged 20 and above that has completed Grade 7.

According to the SSA 2011, the Mhlontlo Local Municipality has 67,9% of people completed grade 7 or higher in 2011 compared to 2005 where the literacy rate of people who completed the same grade is 55,7% which shows an increase in people completed grade 7 or higher.

A higher literacy rate is often associated with higher levels of urbanization, where access to school is less of a problem, and where there are economies of scale. We can see from the spatial breakdown of the literacy rates that the districts with bigger cities do have higher literacy rates.

2.4.3 Poverty and Social Inequality

2.4.3.1 Definition of Poverty

Poverty is often defined as deprivation of those things that determine the quality of life, including food, clothing, and shelter and clean drinking water, as well as “intangibles” such as opportunity to learn and to enjoy the respect of fellow citizens. One of the important indicators of poverty in a municipality is the number of households with an income below the minimum living level. The Minimum Income level is equal to the two old age pension per month.

Halving poverty by 2014 is the policy goal of South African government. Attaining this goal requires better targeting, effective coordination and integration of poverty intervention programmes across all spheres of government. This, in turn depends on the ability to understand both the causes, manifestations, spatial characteristics and impact of poverty across age, gender of poverty. The decrease in the number of people living under poverty from 65.1% in 2005 to 52.7% in 2011 suggest that, the current interventions are making desired impact.

2.4.3.2 Poverty Gap

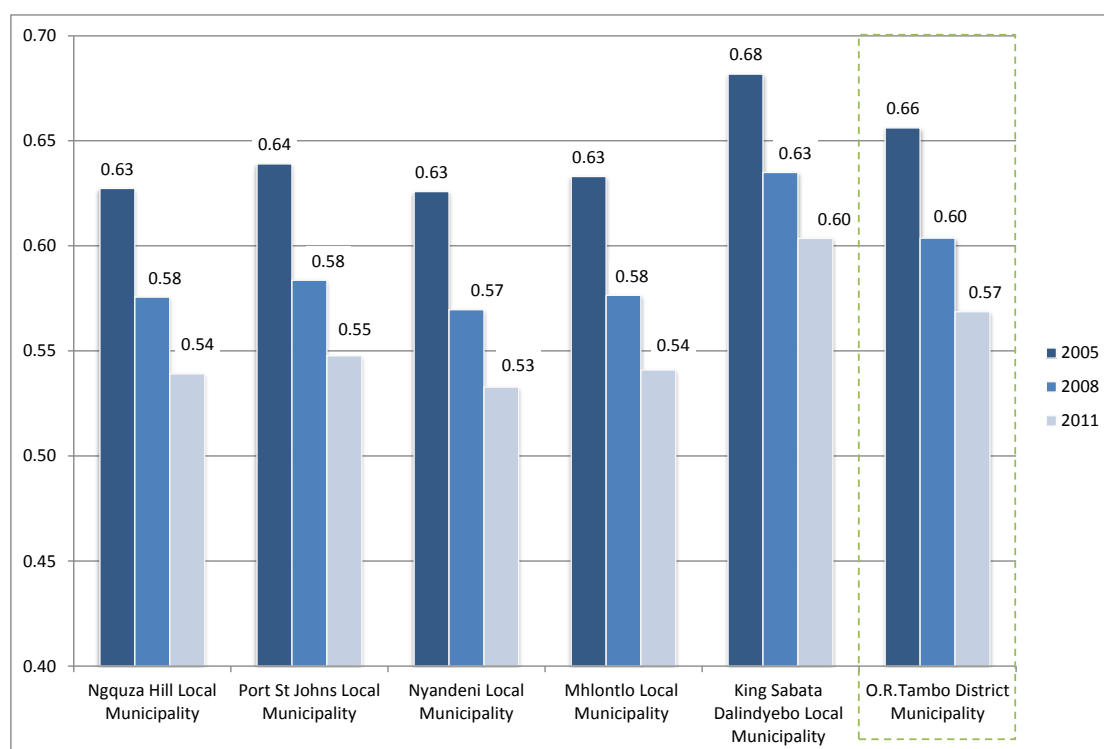
Another important variable in measuring poverty is the poverty gap. This measure is used to derive the difference between each poor household's income and the poverty line. It thus measures the depth of poverty of each poor household. The aggregate poverty gap is calculated by summing the poverty gaps of each poor household. It is thus equivalent to the total amount by which the incomes of poor households need to be raised each year to bring all households above the poverty line and hence out of poverty. It is the amount of income that would be required to bring every poor person exactly up to the poverty line, thereby eliminating poverty. In terms of this measure, the poverty gap in Mhlontlo stood at R369million in 2011. (Global Insight)

2.4.4 Gini Coefficient

The Gini coefficient is a summary statistic of income inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). A low Gini coefficient indicates more equal income or wealth distribution, while a high Gini coefficient indicates more unequal distribution. In practice the coefficient is likely to vary from approximately 0.25 to 0.70.

In 2011 the Gini Coefficient of O.R. Tambo District Municipality is 0.57, which is lower than the 0.66 in 2005. The Gini Coefficient of the Eastern Cape at 0.61 is higher than that of the O.R. Tambo District Municipality. South Africa also has a higher Gini Coefficient at 0.63.

GINI COEFFICIENT PER LOCAL MUNICIPALITY- O.R. TAMBO DISTRICT MUNICIPALITY, 2005, 2008 AND 2011



Source: Global Insight, 2011

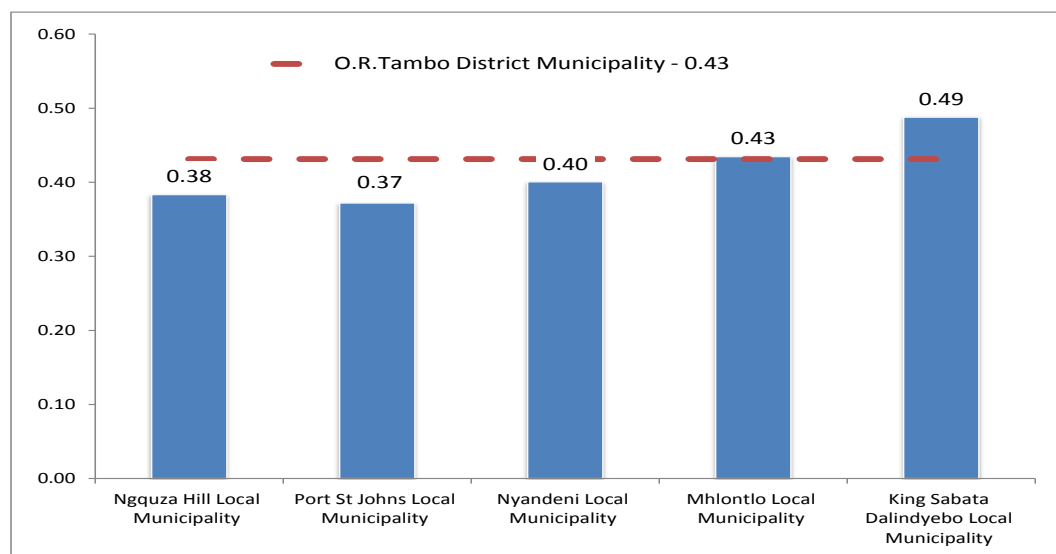
Comparing the Local Municipalities' Gini coefficient, it is clear that the inequality in the distribution of income per municipality is improving. Mhlontlo Local Municipality has decrease from 0.63 in 2005 to 0.54 in 2011.

2.4.5 Human Development Index (HDI)

The Human Development Index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income. It is thus seen as a measure of people's ability to live a long and healthy life, to communicate, to participate in the life of the community and to have sufficient resources to obtain a decent living. The HDI can assume a maximum level of 1, indicating a high level of human development, and a minimum value of 0.

Clearly, the HDI of South Africa is higher than that of the Eastern Cape (and consequently that of O.R. Tambo District Municipality) for each year under observation. There is however an improvement in the HDI for all three regions with the increase in the HDI of O.R. Tambo District Municipality being higher than that of the Eastern Cape and the South Africa. There is however still considerable scope of improving the living standards of the people of O.R. Tambo District Municipality.

HUMAN DEVELOPMENT INDEX FOR LOCAL MUNICIPALITIES IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011



Source: IHS Global Insight (2011)

In terms of the HDI for each of O.R. Tambo District Municipality's local municipalities, Mhlontlo Local Municipality is the second highest HDI, following King Sabata Dalindyebo Local Municipality that has highest HDI, with the lowest being observed in Port St Johns Local Municipality.

2.4.6 Household income levels

It was estimated that 82.0% of all households in O.R. Tambo District Municipality were classified as living on R38 200 or less per annum in 2011. In 2001, 93.0% of all households were classified as living below the R38 200 per annum line. The income brackets above do not take inflation into account and "inflation creep" occurs. This implies that - over time - movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

TABLE 5: TOTAL NUMBER OF HOUSEHOLDS PER INCOME CATEGORY, BY LOCAL MUNICIPALITY OF O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [NUMBERS]

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R. Tambo District Municipality
No income	9 895	6 221	10 574	6 650	17 547	50 887
R 1 - R 4800	4 094	2 357	4 448	3 002	6 513	20 414
R 4801 - R 9600	7 986	4 680	9 515	5 817	12 246	40 244
R 9601 - R 19 600	13 845	8 107	15 783	11 691	22 466	71 892
R 19 601 - R 38 200	11 393	6 482	12 704	9 849	20 744	61 172
R 38 201 - R 76 400	4 005	2 008	4 292	3 113	9 432	22 850
R 76 401 - R 153 800	2 546	950	2 339	1 691	7 239	14 765
R 153 801 - R 307 600	1 683	588	1 296	1 054	5 378	9 999
R 307 601 - R 614 400	554	223	511	399	2 730	4 417
R 614 001 - R 1 228 800	90	39	66	68	572	835
R 1 228 801 - R 2 457 600	70	33	64	44	204	415
R 2 457 601 or more	50	26	56	34	170	336
Unspecified	-	-	1	3	1	5
Total	56 211	31 714	61 649	43 415	105 242	298 231

Source: Stats SA Population census 2011

The total number of households without any income in O.R. Tambo District Municipality is at a concerning 17%. Dependency on subsistence farming could be a substitute for income as a means of survival as subsistence farming is not reported or understood as income by households and is therefore not reported. This may result in an increased burden on state to provide health, education and safety.

ANNUAL TOTAL PERSONAL INCOME

Personal Income is a broader concept than labour remuneration in the economics section. It includes profits, income from property, net current transfers and net social benefits.

It is estimated that total personal income in O.R. Tambo District Municipality amounted to R13 billion in 2011. Of this amount, the majority of R6.3 billion was ascribed to the King Sabata Dalindyebo Local Municipality and R1.5 billion to Mhlontlo Local Municipality.

ANNUAL TOTAL PERSONAL INCOME BY LOCAL MUNICIPALITY, O.R. TAMBO DISTRICT MUNICIPALITY [CURRENT PRICES, R MILLIONS]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	756 430	2 128 326	10.9%
Port St Johns Local Municipality	544 065	983 425	6.1%
Nyandeni Local Municipality	913 379	2 074 885	8.6%
Mhlontlo Local Municipality	639 156	1 551 271	9.3%
King Sabata Dalindyebo Local Municipality	2 397 097	6 322 198	10.2%
O.R. Tambo District Municipality	5 250 126	13 060 105	9.5%

Source: Stats SA Population census 2001 & 2011

The Ngquza Hill Local Municipality and the King Sabata Dalindyebo Local Municipality both recorded an average annual growth rate in total personal income of about 10%. The third lowest average

annual growth rate of all the local municipalities was the Mhlontlo Local Municipality with an increase of only 9,3% annually over the period.

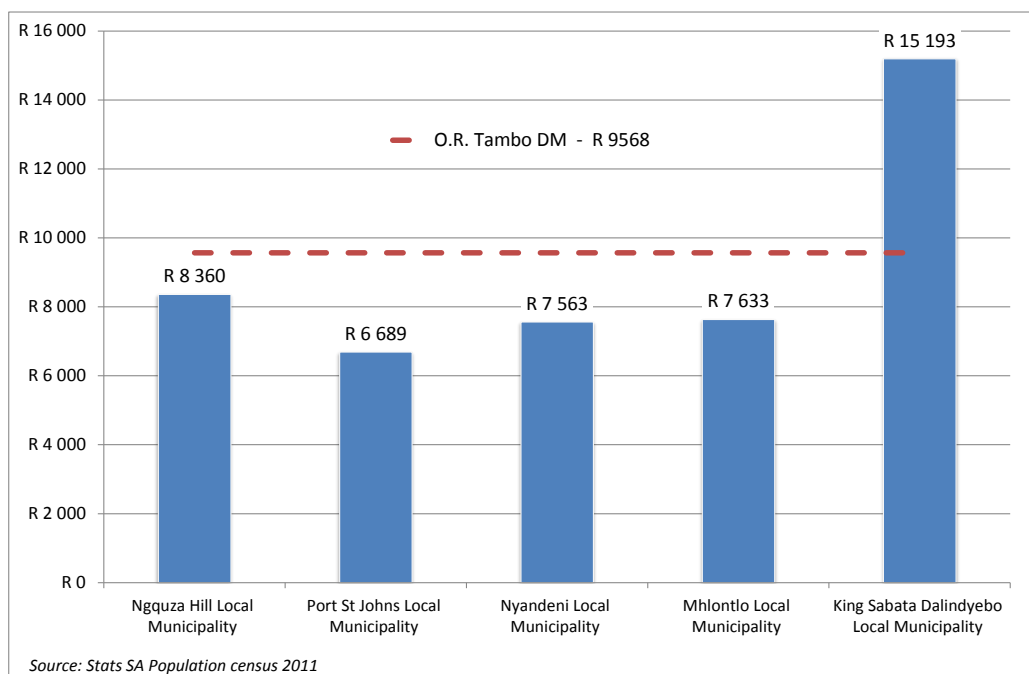
ANNUAL PER CAPITA INCOME

Per capita income is often used as a measure of wealth particularly when comparing different economies or population groups - and rising per capita income usually alludes to possible increase in demand for consumption.

Per capita income refers to the income per person and is calculated by dividing the total personal income per annum equally among the population.

The per capita income amounted to R9 568 in O.R. Tambo District Municipality

PER CAPITA INCOME BY LOCAL MUNICIPALITY, O.R. TAMBO DISTRICT MUNICIPALITY 2011 [RAND, CURRENT PRICES]



When comparing per capita income of the local municipalities it is clear that the King Sabata Dalindyebo Local Municipality is almost double the income per capita (in current prices) than the other local municipalities. The King Sabata Dalindyebo Local Municipality's per capita income at R15 193 it is at such a high level compared to the other local municipalities that it pushes up the per capita income for the district as a whole and results that all the other local municipalities is below the district's per capita income. The Mhlontlo Local Municipality has R7 633 per capita income and is better than other locals in the district.

2.5 State of the Economy

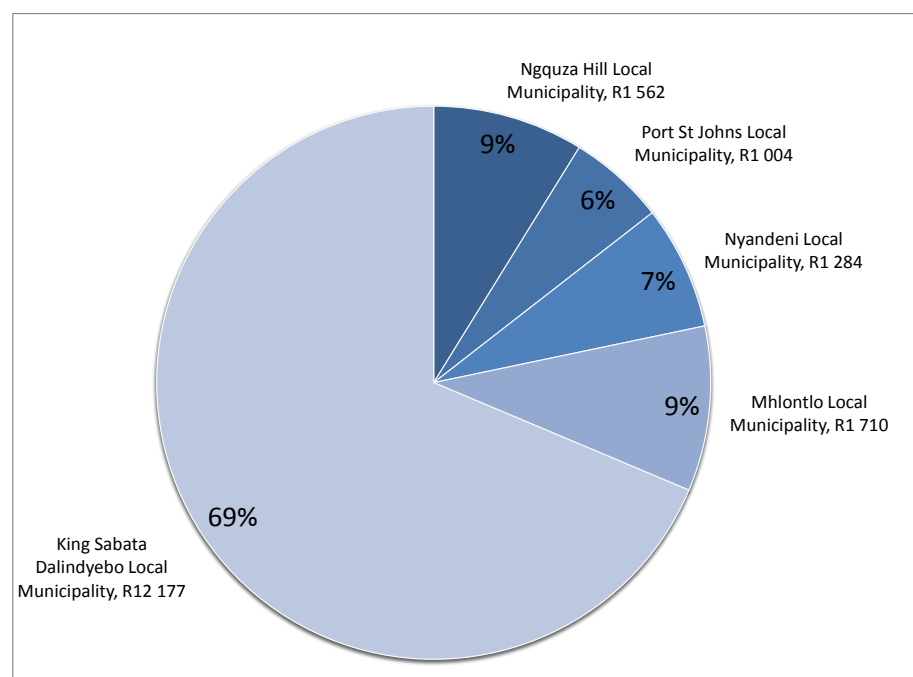
2.5.1 GDP Size and Growth

In order to put the economic state of O.R. Tambo District Municipality in perspective, the municipality is compared on a spatial level with the national, provincial and the neighbouring districts' economies. Furthermore, the local municipalities within O.R. Tambo District Municipality is compared and put in perspective of O.R. Tambo District Municipality as a whole.

A local municipality does not function in isolation from its district, province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

The following is an analysis of the GDP at current prices of the local municipalities within O.R. Tambo District Municipality.

CHART 2: GDP CONTRIBUTION PER LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [R MILLIONS AT CURRENT PRICES]



The greatest contributor to the O.R. Tambo District Municipality economy is the King Sabata Dalinyebo Local Municipality with a share of 69% or R 12.1 billion it increased from R6.6 billion in 2005. The economy with the lowest contribution is the Port St Johns Local Municipality with R 1 billion it grew from R530 million from 2001. The Mhlontlo Local Municipality is the second contributor in the Gross Domestic Product of the district.

TABLE 6: GDP PER LOCAL MUNICIPALITY WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2005 - 2011
[CURRENT PRICES]

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
2005	822	537	686	925	6 614
2006	899	587	742	1 003	7 103
2007	991	648	815	1 101	7 876
2008	1 113	718	903	1 220	8 704
2009	1 215	782	997	1 329	9 556
2010	1 394	904	1 168	1 557	10 926
2011	1 562	1 004	1 284	1 710	12 177

2.5.2 ECONOMIC GROWTH FORECASTS

The economic growth forecasts reveal a slow but positive economic recovery from the economic slowdown in 2008/09. It is expected that O.R. Tambo District Municipality will grow at an average annual rate of 3% from 2011 to 2016. Compared to the Eastern Cape Province and South Africa, which is expected to grow at 3.6% and 3.8% respectively, the growth path seems to be very similar.

GDP GROWTH BY REGION, 2011 – 2016 [PERCENTAGE - CONSTANT 2005 PRICES]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
2011	3.1%	2.7%	2.7%	2.6%	2.5%	1.4%	1.4%	3.0%
2012	2.7%	2.8%	2.0%	1.3%	2.6%	2.0%	4.5%	1.7%
2013	3.2%	2.8%	2.3%	2.3%	2.5%	2.1%	2.2%	2.3%
2014	3.6%	3.3%	2.8%	2.8%	3.0%	2.7%	2.8%	2.8%
2015	4.5%	4.2%	3.8%	3.8%	3.9%	3.6%	3.7%	3.8%
2016	4.8%	4.6%	4.2%	4.2%	4.3%	4.0%	4.1%	4.2%
Average annual growth rate:								
2011 - 2016	3.76%	3.57%	3.02%	2.87%	3.25%	2.87%	3.46%	2.97%

The second largest economy in O.R. Tambo District Municipality is the Mhlontlo Local Municipality, at 3.5% has the highest average annual growth forecasted for all the local municipalities in the O.R. Tambo District Municipality. Ngquza Hill Local Municipality is the local municipality with the lowest expected average annual growth of 2.87% annually.

GROSS VALUE ADDED BY REGION (GVA-R)

O.R. Tambo's economy is made up of various industries. The GVA-R variable provides a sectoral breakdown, where each sector is measured in terms of its "value added" produced in the local economy.

The following is the Gross Value added (GVA) off all the relevant regions to put the O.R. Tambo District Municipality in perspective.

TOTAL GROSS VALUE ADDED (GVA) BY BROAD SECTOR FOR ALL MUNICIPALITIES WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [R BILLIONS CURRENT PRICES]

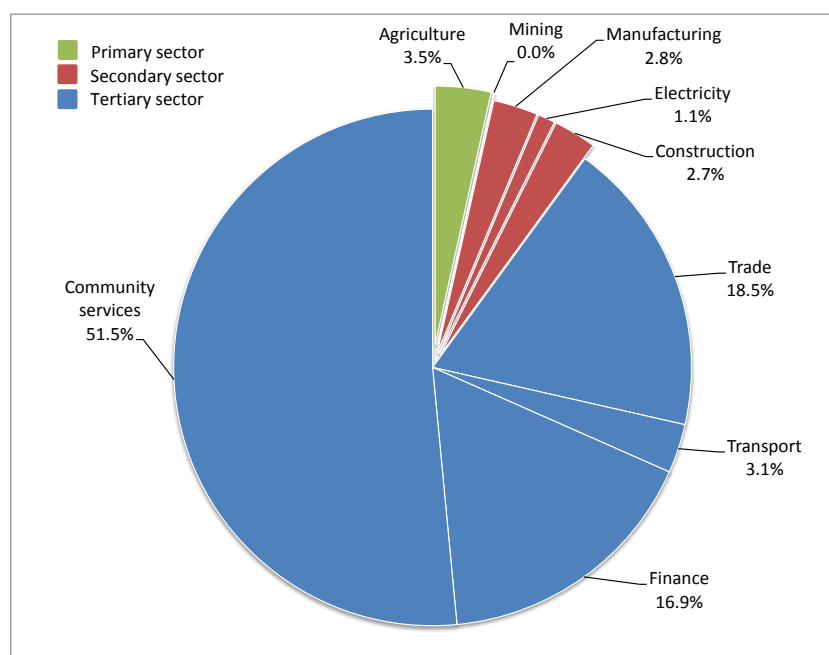
2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
Agriculture	63 984	3 344	572	42	29	29	146	326
Mining	260 381	858	6	-	-	-	4	2
Manufacturing	357 756	27 622	457	74	67	19	38	259
Electricity	78 532	3 392	176	6	3	16	5	147
Construction	120 420	7 172	437	44	18	15	41	319
Trade	386 430	31 009	3 049	376	161	183	215	2 114
Transport	220 060	15 586	505	33	28	35	31	377
Finance	565 224	41 450	2 774	90	61	118	71	2 434
Community services	617 717	71 887	8 470	739	531	719	998	5 484
Total Industries	2 670 504	202 320	16 446	1 403	898	1 133	1 548	11 464
Taxes less Subsidies on products	293 757	22 246	1 292	159	106	151	162	713
Total (GDP)	2 964 261	224 566	17 738	1 562	1 004	1 284	1 710	12 177

Source: IHS Global Insight - 2012

The greatest contributor towards the GVA of the local municipalities is the community sector (ranging from 48% for the King Sabata Dalindyebo Local Municipality to 63% for Nyandeni Local Municipality), with the King Sabata Dalindyebo Local Municipality community services contributing 33% to the Total Gross value added of the O.R. Tambo District Municipality. Relative to the other local municipalities the King Sabata Dalindyebo Local Municipality also contribute more to the financial sector and the trade sector of the O.R. Tambo District Municipality - 15% and 13% respectively.

In 2011 O.R. Tambo District Municipality's economy was dominated by the tertiary sector as a whole, which is primarily focused on community services. Community services accounted for half of the GVA with a 51.5% contribution to the total economic activity in O.R. Tambo District Municipality in 2011, which is the largest sector contribution to economic activity. The community services consist of public administration (14.3 percentage points), education (23.4 percentage points), health and social work (9.2 percentage points) and other community services (4.6 percentage points). The trade sector at 18.5% is the second largest contributor to the economic activity.

CHART 3: GROSS VALUE ADDED (GVA) COMPOSITION BY BROAD ECONOMIC SECTOR FOR O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [PERCENTAGE CONTRIBUTION]



Community services dominate the O.R. Tambo District Municipality economy, as is visible in the numbers. With the recession of 2008 and 2009, and the renewed emphasis on government spending, the community services sector grew in importance. Zooming into the agriculture sector reveals that roughly three quarters of the sector is the forestry and logging sector and a quarter; agriculture and hunting.

2.5.3 HISTORICAL ECONOMIC GROWTH

When looking at growth in GVA on a sector level, the mining sector contracted considerably in 2008/2009. This was a direct response to a significant drop in demand for mining commodities. The global recession took its toll with the need to reduce production and operating cost resulting in a decline in most sectors.

GROSS VALUE ADDED (GVA) GROWTH BY BROAD ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE - CONSTANT 2005 PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011	AAGR 2005-2011
Agriculture	-11.0%	16.3%	2.3%	10.8%	7.2%	-2.4%	1.0%	5.7%
Mining	-9.8%	-4.8%	1.1%	-9.7%	-22.5%	-5.2%	-11.8%	-9.1%
Manufacturing	1.9%	3.4%	2.2%	-0.8%	-6.9%	4.8%	2.2%	0.7%
Electricity	2.2%	1.3%	-1.2%	-4.6%	1.1%	0.9%	-1.5%	-0.7%
Construction	5.8%	7.9%	8.6%	5.0%	9.9%	-2.2%	1.3%	5.0%
Trade	3.3%	1.9%	1.1%	-1.4%	-2.5%	2.7%	2.0%	0.6%
Transport	3.8%	1.8%	2.1%	0.3%	0.2%	-0.6%	1.6%	0.9%
Finance	5.1%	4.7%	4.3%	4.8%	-0.9%	1.3%	1.7%	2.6%
Community services	4.0%	3.4%	3.6%	3.0%	1.9%	2.2%	3.5%	2.9%
Total Industries	3.3%	3.9%	3.1%	2.6%	0.6%	1.8%	2.6%	2.4%

Source: Global Insight (2011)

When looking at growth in GVA on a sector level, we can identify the increased activity in the construction sector associated with preparations for the soccer World Cup in 2010. Positive growth for total industries in 2011 was 2.6%. The Agricultural sector had the largest average annual growth of 5.7%, while the mining sector had negative average annual growth of 9.1%. The mining sector however has a very small effect on total growth due to the small size of the mining industry in O.R. Tambo District Municipality.

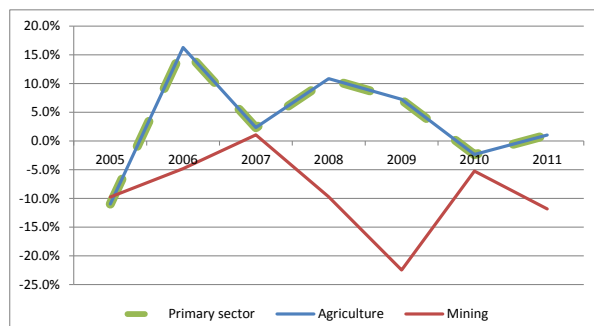
**BROAD SECTOR CONTRIBUTION TOWARDS TOTAL ECONOMIC GROWTH -
O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE POINT - CONSTANT 2005 PRICES]**

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	-0.4%	0.6%	0.1%	0.4%	0.3%	-0.1%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	0.1%	0.1%	0.1%	0.0%	-0.2%	0.1%	0.1%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0.1%	0.1%	0.2%	0.1%	0.2%	0.0%	0.0%
Trade	0.6%	0.3%	0.2%	-0.2%	-0.4%	0.4%	0.3%
Transport	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
Finance	0.9%	0.8%	0.8%	0.9%	-0.2%	0.2%	0.3%
Community services	1.7%	1.4%	1.5%	1.3%	0.8%	1.0%	1.5%
Total Industries	3.0%	3.5%	2.9%	2.4%	0.5%	1.6%	2.4%
Taxes less Subsidies on products	0.1%	0.3%	0.1%	-0.1%	-0.2%	0.4%	0.3%
Total (Gross Domestic Product - GDP)	3.1%	3.8%	3.0%	2.3%	0.3%	2.0%	2.7%

The table lists the sectors' contribution to the total economic growth for the period 2005-2011. In 2011 the community services sector contributed 1.5 percentage points to the overall GDP growth of 2.7%. Finance and Trade also contributes significantly to the overall GDP growth, which clearly reflects the importance of this community services sector in the O.R. Tambo District Municipality's economy.

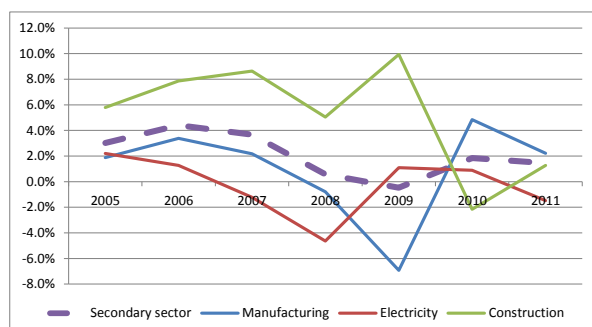
GROSS VALUE ADDED (GVA) ANNUAL GROWTH – PRIMARY, SECONDARY AND TERTIARY SECTORS, O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE - CONSTANT 2005 PRICES]

Primary sector



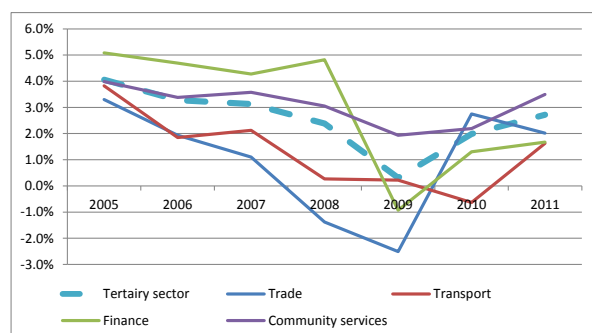
Both the mining and the agricultural sectors seem to show volatility over time – the mining sector is small and a small change can be presented as a big effect. The effect of the global recession on this sector is evident in the decline in growth. The fact that the agricultural sector within O.R. Tambo District Municipality dominates the primary sector in terms of contribution, explains the similar growth patterns for primary sector and the agricultural sub-sector.

Secondary sector



Although the secondary sector is fairly small it is dominated by manufacturing; the general secondary sector took a hit and declined steadily from 2007. The electricity crisis in 2008 is shown very clearly in the secondary sector. The construction sector boomed in 2007 due to the World Cup 2010 initiatives.

Tertiary sector



Annual The tertiary sector showed a constant decline in the growth rates from 2005 with negative growth in some of the sub sectors from 2008 to 2010. However, in 2011 all of the sub sectors in the tertiary sector were in positive growth territory again.

2.5.4 SECTOR GROWTH FORECASTS

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are thus based partly on the notion that regions that have performed well in the recent past are likely to continue performing well (and visa versa) and partly on the notion that those regions which are well endowed with sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and visa versa). As the target year moves further

from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

GROSS VALUE ADDED (GVA) GROWTH BY AGGREGATE ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2011 – 2016 [PERCENTAGE - CONSTANT 2005 PRICES]

	Primary sector	Secondary sector	Tertiary sector	Total
2011	1.0%	1.5%	2.7%	2.6%
2012	14.7%	-1.0%	1.7%	2.2%
2013	1.6%	2.5%	2.3%	2.3%
2014	2.4%	2.9%	2.8%	2.8%
2015	2.7%	3.6%	3.8%	3.7%
2016	3.0%	3.8%	4.3%	4.2%
Average annual growth rate:				
2011-2016	4.8%	2.4%	3.0%	3.0%

The tertiary sector, being the biggest sector, has similar growth patterns than that of the O.R. Tambo District Municipality with an expected average annual rate of 3% between 2011 and 2016. The Secondary sector is expected to grow at 2.4% on average annually from 2011 to 2016, while the he Primary sector is expected to grow at an average annual rate of 4.8% for the same period.

2.5.5 Strategic Economic Sectors

i. Agriculture, forestry and fishing

The municipality economy has a comparative advantage in agriculture and forestry. As shown in table 7 below, this economic sector's contribution to the local GDP has plummeted 60% from 8 to 3 percentage points in the 16 years to 2011. This dramatic decline is attributable to lack of investment in economic infrastructures such as decent road network, access to electricity, fencing of small scale farms. This state of affairs is also compounded by absence of effective business support services particularly targeted at supporting subsistence farmers.

Table 7: Agriculture Share of GDP (%)

Detailed Economic Sector	2001	2011	% Change between 2001 and 2011
Agriculture forest and fisheries	8,3%	3,3%	-60,2%

Source: ECSECC

Table 8: below indicates that about 76% of land cover in the municipality is either degraded or unimproved grassland. Only about 17% is cultivated on a semi-commercial/subsistence basis. About 8% of land cover measuring 21 508 hectares is currently planted with forestry plantations whilst thicket and bush lands measure about 5% of land cover. The urban or built up residential land covers only about 5% of land cover.

Table 8: Land Cover in Mhlontlo Municipality

Land Cover Classification	Hectares	% of Total Area
Barren rock	204.60	0.08
Cultivated: temporary – semi-commercial/subsistence dry land	44798.92	16.57
Degraded: unimproved grassland	82218.35	30.41
Dongas & sheet erosion scars	327.95	0.12
Forest	3807.19	1.41
Forest Plantations	21508.72	7.96
Improved grassland	8.46	0.00
Thicket & bush land (etc)	8355.43	3.09
Unimproved grassland	96591.38	35.73
Urban / built-up land: residential	12386.86	4.58
Urban / built-up land: residential (small holdings: shrub land)	7.36	0.00
Water bodies	157.28	0.06

Source: Agricultural Research Council (ARC), 2011

Table 8 underscores the extent of the agriculture potential within the municipal area. The extent of unimproved grasslands indicates the potential for livestock production in particular sheep, goats and cattle. The good climatic conditions, soils, and land abundance also point to the richness of the municipality and potential for high value crops and fruit production. In its assessment report, the ARC (2011) concluded that the production of field crops, maize, grain sorghum and dry bean was feasible, while potential for horticultural products, cabbage and potato production is optimal.

Since the adoption of the five year plan (IDP) the municipality has engaged in range of initiatives which are aimed at exploiting the opportunities in agriculture. As part of efforts to strengthen capacity to generate scientific knowledge the municipality has entered into a strategic partnership with the Water Sisulu University's Centre for Rural Development.

ii. Forestry

The main businesses located at Langeni includes a saw milling plant operated and managed by Merensky, Merensky plantations comprise both Pine and Eucalyptus species, totalling ca 74,000 hectares across South Africa. Merensky is the largest privately owned plantation being managed on a sawlog rotation. The ca 60,000 hectares of Merensky Pine plantation extend from the dargle forests of Kwa Zulu-Natal through to the forest of Baziya on the South-Western slopes of the Matiwane range in the Eastern Cape.

There remains a huge potential to attract investments towards value adding enterprises such as furniture-making and other wood manufacturing enterprises. The municipality also needs to position itself to exploit fully the opportunities that will emerge following initiatives such as the development of the Ugie/Maclear/Langeni link road which is completed as well as the proposed establishment of the furniture incubator within KSD.

Role of Eastern Cape Rural Development Agency (ECRDA) in Forstry

ECRDA is working with key role players like DAFF, Local government and Private Sectors. ECRDA provide support to communities and projects:-

- Addressing blockages to development
- Co-ordination of activities
- Securing funding and project resources
- Facilitating establishment of legal entity
- Facilitation of formal 3rd party involvement and support
- Engagement of authorities to support where necessary
- Technical, management and enterprise support

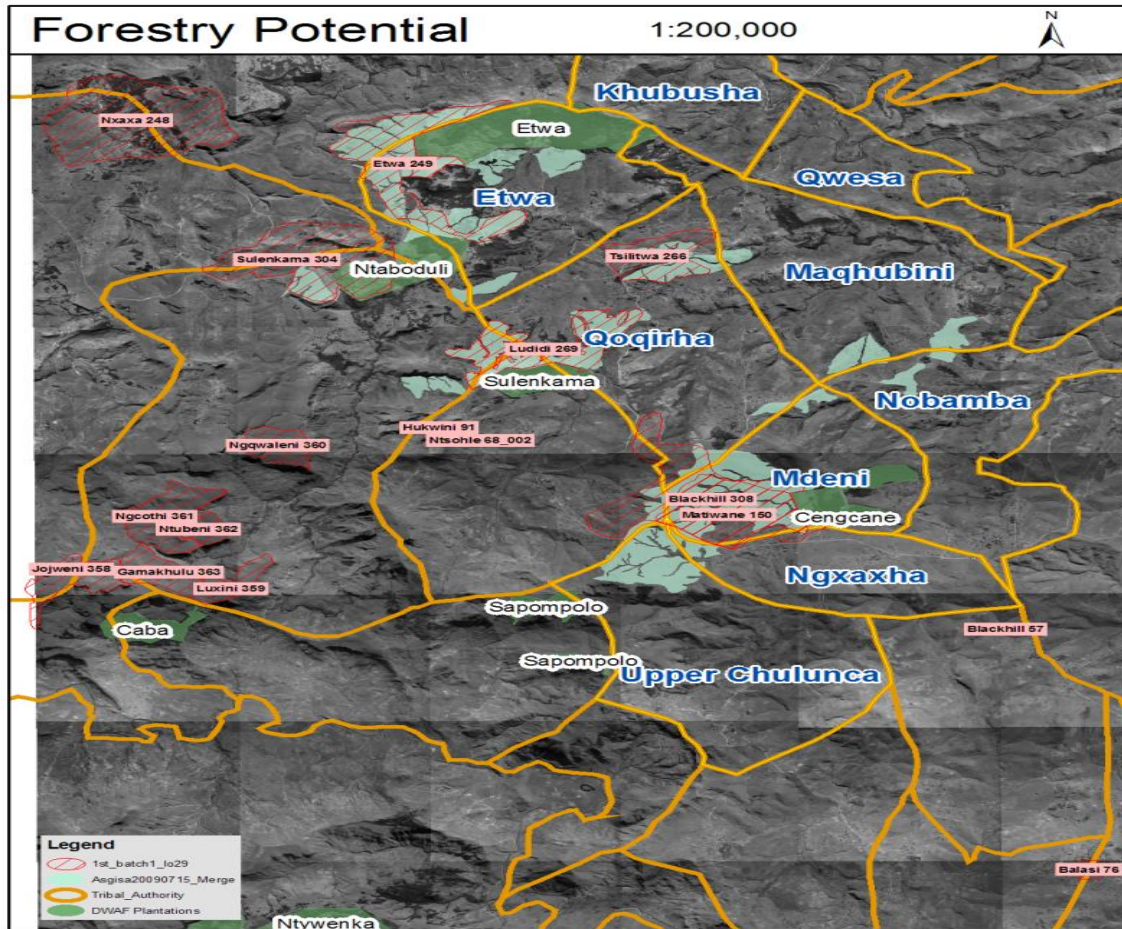
What ECRDA have done

- Developed and gained acceptance for a model in which communities own, manage and benefit from forestry plantation projects
- Secured access to grant funding for feasible forestry projects
- Started with planning work on 8 projects of nearly 16000ha (of which this Maqhubini project is one)
- Initiated and secured funding for the implementation of 2 projects totalling 4600ha
- Now supporting the community management in these projects

What is the opportunity for Amahlubi Area

- 1400ha for new plantation.
- Around 1000ha existing plantation.
- Funding requirement is R30m over 10 years
- Atleast 300 sustainable jobs.

The Map Shawn below is for the forestry development within Mhlontlo Local Municipality.



The agricultural potential of the municipality remains huge and untapped. Vast tracks of land is lying fallow or at the risk of degrading. The potential for irrigated agriculture is considerably enhanced by the availability of water from local rivers such as Tina and Tsitsa. Provision of irrigation infrastructure as well as effective support services is thus considered a critical step in unlocking the agricultural potential.

From the above it is clear that the municipality has an urgent need for major infrastructure investment. In the past 7 years the municipality has undertaken a series of bold measures to address the decline of the agricultural economy in particular. Additional work has also been undertaken in partnership with CSIR to develop an “Integrated Infrastructure Atlas” which is intended to underpin agrarian transformation within the municipality. The Infrastructure Atlas has developed a map of critical infrastructures that are needed to support high impact projects in the both agriculture and tourism sectors.

iii. Tourism

Tourism is made up of a range of economic activities and thus not easy to classify under a single major economic sector. Most of these activities however tend to fall within the Wholesale and Retail Trade Sector (Trade). From the below table 9 it can be observed that the Trade sector’s share of municipal GDP has declined by a dramatic 25% since 2008. Catering and accommodation, both of

which are key contributors to tourism outcome have also declined by 28% from 0.4 to 0.3 percentage points in the 15 years to 2011.

Table 9: Wholesale and Trade Sector Share of the GDP

Detailed Economic Sector	2001	2011	% Change between 2001 and 2011
Wholesale and retail trade	14.4%	10.8%	-25.1%
Catering and accommodation services	0.4%	0.3%	-28.1%

Tourism, which also forms part of the Wholesale and Trade Sector, is identified in the LED Strategy as a priority industry. The municipality boasts natural beauty in the form of waterfalls, rivers, cultural and historic heritage. As a result the Mhlontlo Local Municipality is in a process of developing Mhlontlo Route. As shown in **Table 9** above, this sector has also taken a big knock in the last 15 years.

2.5.6 TOTAL EMPLOYMENT

Employment data is important as it can “be compared to the EAP to estimate unemployment, while trends in employment in different sectors or industries indicate important structural changes in the economy. Employment data are also used to calculate productivity, earnings per worker and other economic indicators.”¹

Total employment consists of two parts: employment in the official economy, or the formal sector, and then employment in the un-official economy or the informal sector.

TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, - O.R. TAMBO DISTRICT MUNICIPALITY, EASTERN CAPE AND SOUTH AFRICA, 2011 [NUMBERS]

2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquzu Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
Agriculture	726 172	58 774	3 158	555	410	341	856	995
Mining	517 734	1 807	68	0	0	0	14	54
Manufacturing	1 591 055	134 025	4 985	1 387	936	275	464	1 923
Electricity	68 865	3 030	211	7	3	40	7	154
Construction	872 261	61 864	5 867	576	380	452	826	3 633
Trade	2 804 842	197 118	14 277	1 400	1 071	948	1 251	9 606
Transport	709 813	49 567	4 817	457	365	467	590	2 939
Finance	1 690 625	65 452	4 710	393	154	245	315	3 603
Community services	2 826 991	337 047	44 645	4 707	3 406	4 755	6 416	25 362
Households	1 068 523	99 756	12 876	1 143	836	1 547	1 840	7 510
Total	12 876 879	1 008 440	95 615	10 626	7 561	9 069	12 581	55 779

The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 284 and (2) agriculture down by 218. For the rest of the sectors, the Manufacturing sector (60), the Construction sector (206), the Transport sector (79) and the Community services sector (1606) recorded growth from 2010 to 2011.

The largest employer in the Mhlontlo Local Municipality is the Community services sector (that largely consists of government) which employed 6 416 in 2011. The second largest employer is the Household sector, which employs 1 840 people. The third largest employer is the trade which employed 1 251 people. Relative to employment in the Eastern Cape the, O.R. Tambo District Municipality employs 9.5% of the total employment in the Eastern Cape, with 13.2% of total Eastern Cape employment in the Community sector being employed in O.R. Tambo District Municipality.

2.5.6.1 EMPLOYMENT FORECAST

The employment projections are estimated by incorporating the projected GVA growth over time as well as the dynamics of the labour intensity for each economic sector.

FORECAST ON TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, -
O.R. TAMBO DISTRICT MUNICIPALITY, 2011 - 2016 [NUMBERS AND AVERAGE ANNUAL GROWTH]

Sector	2011	2012	2013	2014	2015	2016	AAGR 2011-2016
Agriculture	3 158	3 058	2 944	2 838	2 775	2 726	-2.9%
Mining	68	68	65	64	63	59	-3.0%
Manufacturing	4 985	5 119	5 223	5 382	5 541	5 669	2.6%
Electricity	211	214	215	225	228	227	1.4%
Construction	5 867	6 492	7 041	7 634	8 289	8 917	8.7%
Trade	14 277	18 971	19 564	20 110	20 791	21 404	8.4%
Transport	4 817	4 779	5 011	5 238	5 490	5 731	3.5%
Finance	4 710	4 529	4 627	4 726	4 832	4 923	0.9%
Community services	44 645	46 088	46 912	47 550	48 257	48 884	1.8%
Households	12 876	12 848	12 828	12 835	12 853	12 895	0.0%
Total	95 615	102 167	104 431	106 603	109 119	111 435	3.1%

From 2011, the forecasts for total employment shows an estimated average annual decrease of 2.0% - which translates into 9 142 job losses in the O.R. Tambo District Municipality by 2016. The sector with the largest percentage increase in employment will be the Finance sector with an average annual increase of 8.3% from 2011 to 2016. The Community services sector remains the largest sector in terms of employment, but it decreases with 15 045 jobs over this period.

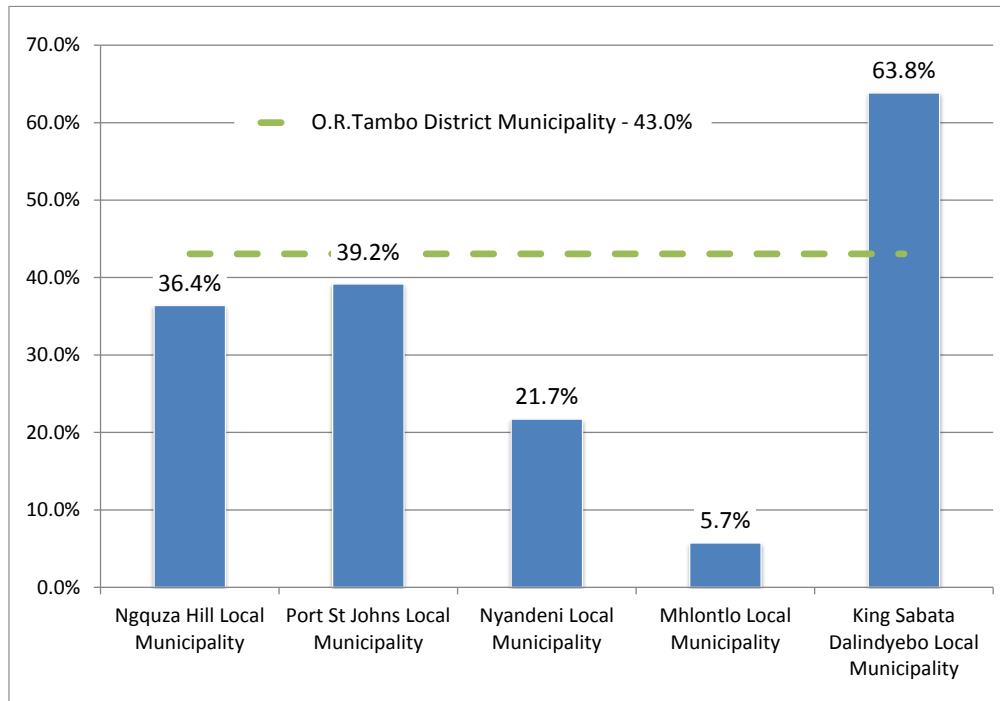
2.5.6.2 LABOUR ABSORPTION CAPACITY

An indicator to measure the employment performance of the economy is (marginal) labour absorption capacity which can be defined as follows:

The ratio or percentage of new entrants to the labour force that is able to find employment in the formal sector of the economy. It is calculated by taking the change between the formally employed people divided by the change between the economically active people (EAP) in an economy.²

The following is the labour absorption capacity by local municipality of the O.R. Tambo District Municipality

THE LABOUR ABSORPTION RATE BY LOCAL MUNICIPALITY IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [PERCENTAGE]



Source: Global Insight (2011)

For 2011 the labour absorption capacity is 43% in the O.R. Tambo District Municipality this means that 43% of the newly entered economically active people get employed. Breaking it down to the local municipalities, it is clear that the King Sabata Dalindyebo Local Municipality has the most capacity for labour absorption at a rate of 63.8% of the increase of all economically active people. On the other hand the Mhlontlo Local Municipality only has absorption capacity of 5.7%.

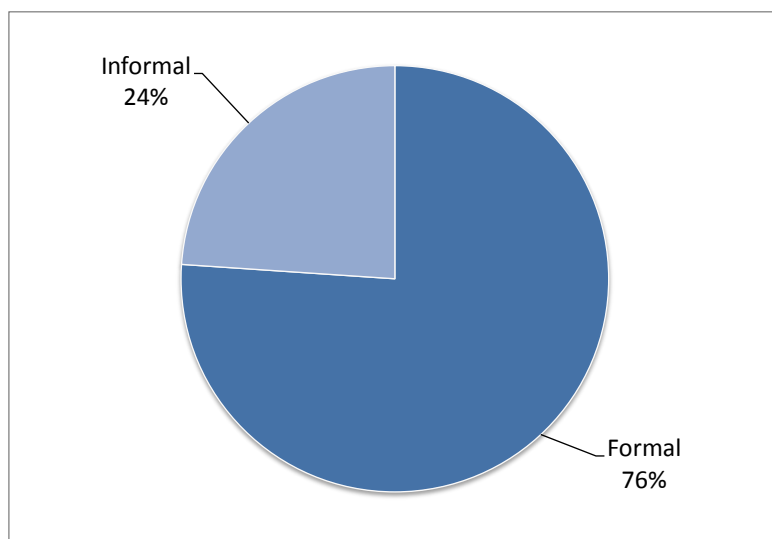
2.5.6.3 FORMAL & INFORMAL EMPLOYMENT

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

The following chart is the composition of total employment in the O.R. Tambo District Municipality for 2011; the number of formally employed people in O.R. Tambo District Municipality counted 72 740, which is about 76% of total employment, while the number of people employed in the informal sector counted 22 870 which translates into 24% of the total employment.

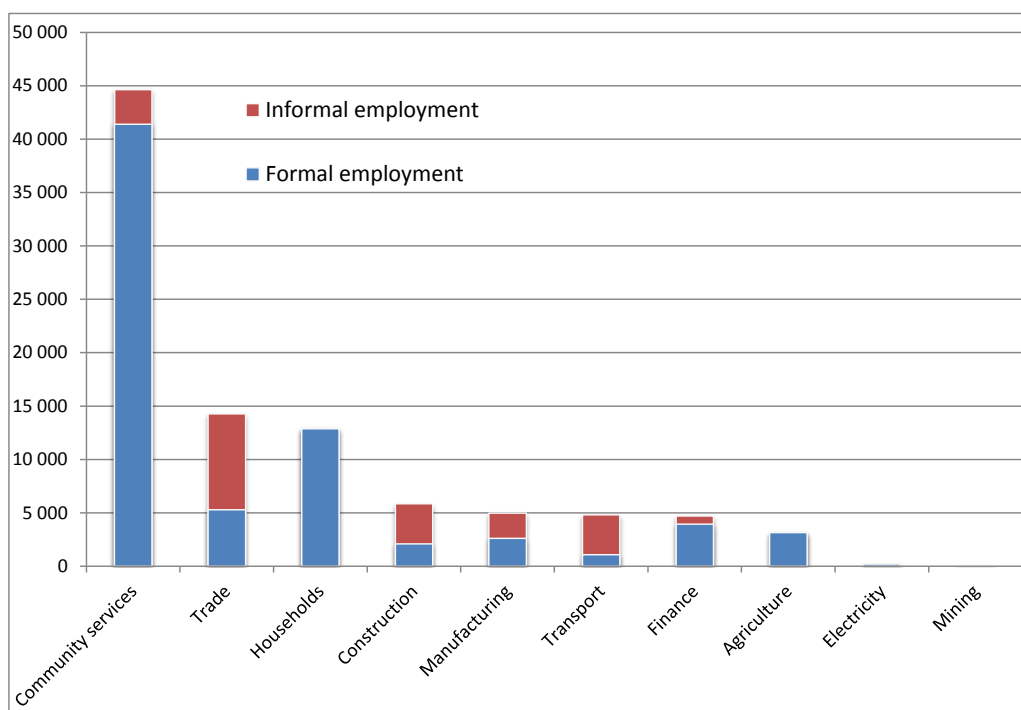
CHART 4: FORMAL AND INFORMAL EMPLOYMENT IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011
[PERCENTAGE SHARE OF TOTAL]



Some of the economic sectors have little or no informal employment:

- **Mining industry**, due to well-regulated mining safety policies, and the strict registration of a mine, little or none informal employment can be found in this sector
- **Electricity**, there are no private electricity generating companies in South Africa, so it is hard to get informal employment in a regulated sector
- **Domestic Workers and Agriculture** is typically counted under a separate heading.

FORMAL AND INFORMAL EMPLOYMENT PER SECTOR IN THE O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [NUMBERS]



Informal employment in O.R. Tambo District Municipality was estimated at 22 874 in 2011, increasing from 22 493 in 2005. In 2011 the economic sector which recorded the highest number of informal employed people is the Trade sector, with a total of 8 977 workers being informally employed. When looking at the relative contribution of informal employment to the total sector employment, the transport sector is the least formal sector with 77% of the employment being informal. The informal taxi-industry is included in the bigger transport sector. The spaza-shops and informal retailers make up a large percentage of the informal employment, and also a fairly large share percentage of the Trade sector.

2.5.6.4 UNEMPLOYMENT

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982):

‘(1) The "unemployed" comprise all persons above a specified age who during the reference period were:

- (a) "without work", i.e. were not in paid employment or self-employment;
- (b) "currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- (c) "seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licenses, etc.’

However, this definition goes further:

‘(2) In situations where the conventional means of seeking work are of limited relevance, where the labour market is largely unorganized or of limited scope, where labour absorption is, at the time, inadequate, or where the labour force is largely self-employed, the standard definition of unemployment given in subparagraph (1) above may be applied by relaxing the criterion of seeking work.’

In essence, there are two accepted definitions of unemployment; the first is called the official (or strict) definition which does not encompass paragraph (2) above, and the second is the “expanded” definition which allows for the relaxation of paragraph (1c) as per paragraph (2).

Sufficient data pertaining to unemployment as per the “expanded” definition is no longer available and the findings of this report focus on only the official definition also used by StatsSA.

Clearly South Africa needs to steer clear of the elevated levels of unemployment that currently exist. While it is detrimental to the economy, the physiological, physical and socio-economic impacts on the individual may be even more severe than the knock to the economy at large. The prevalence of unemployment is usually measured using the unemployment rate, which is defined as the percentage of those in the labour force who are unemployed.

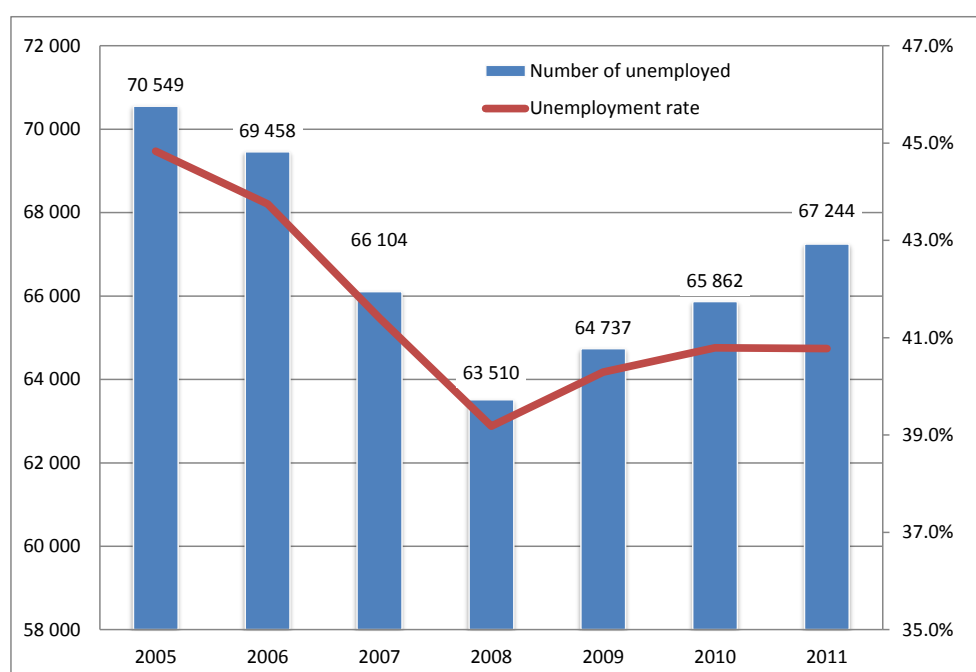
In 2011, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) amounted to 40.8%. This was somewhat lower than the 44.8% recorded in 2005.

UNEMPLOYMENT IN O.R. TAMBO DISTRICT MUNICIPALITY - OFFICIAL DEFINITION [NUMBER, PERCENTAGE]

Year	Number of unemployed	Unemployment rate
2005	70 549	44.8%
2006	69 458	43.7%
2007	66 104	41.4%
2008	63 510	39.2%
2009	64 737	40.3%
2010	65 862	40.8%
2011	67 244	40.8%

The number of unemployed decreased from 2005 to 2008, after which it started to increase again, due to the impact of the economic slowdown. The same trend is visible in the unemployment rate which also includes the dynamics of the economic active population and which is driven by the labour participation rates. The average annual growth rate between 2005 and 2011 is -0.8%.

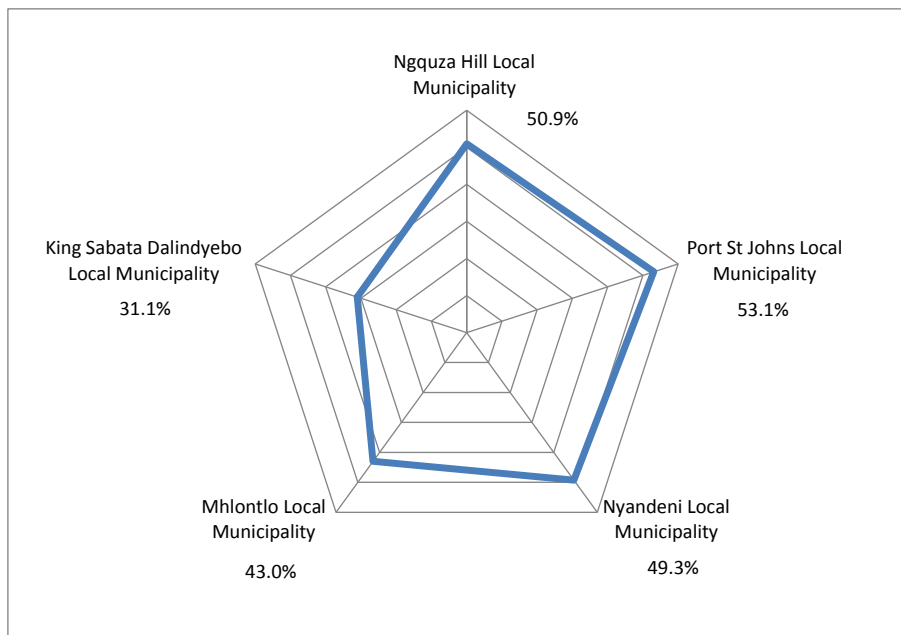
NUMBER OF UNEMPLOYED AND THE UNEMPLOYMENT RATE IN O.R. TAMBO DISTRICT MUNICIPALITY - OFFICIAL DEFINITION [NUMBER, PERCENTAGE]



Source: Global Insight (2011)

In terms of the unemployment rate per local municipality, King Sabata Dalindyebo had the lowest rate of 31.1% in 2011, while Port St Johns topped the charts at 53.1%. Mhlontlo Local Municipality is the second lowest on the chart after King Sabata Dalindyebo Local Municipality with a rate of 43.0%. Unemployment is certainly less pronounced in regions where the formal as well as the informal sector generates sufficient levels of GVA and employment opportunities.

CHART 5: UNEMPLOYMENT RATE BY LOCAL MUNICIPALITY, 2011 [PERCENTAGE]

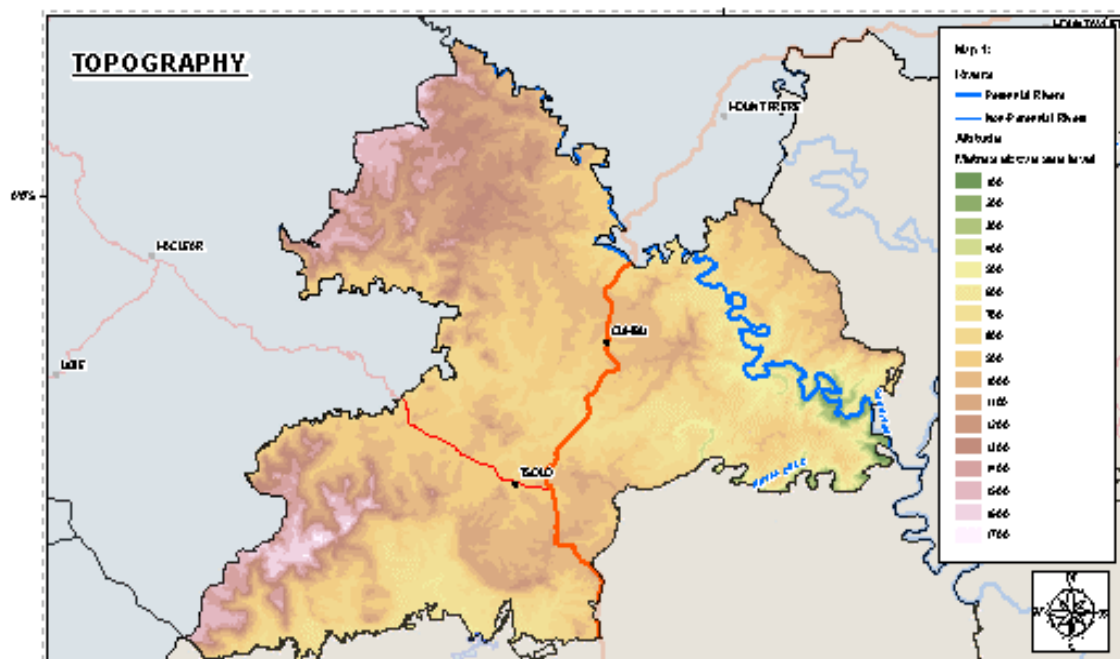


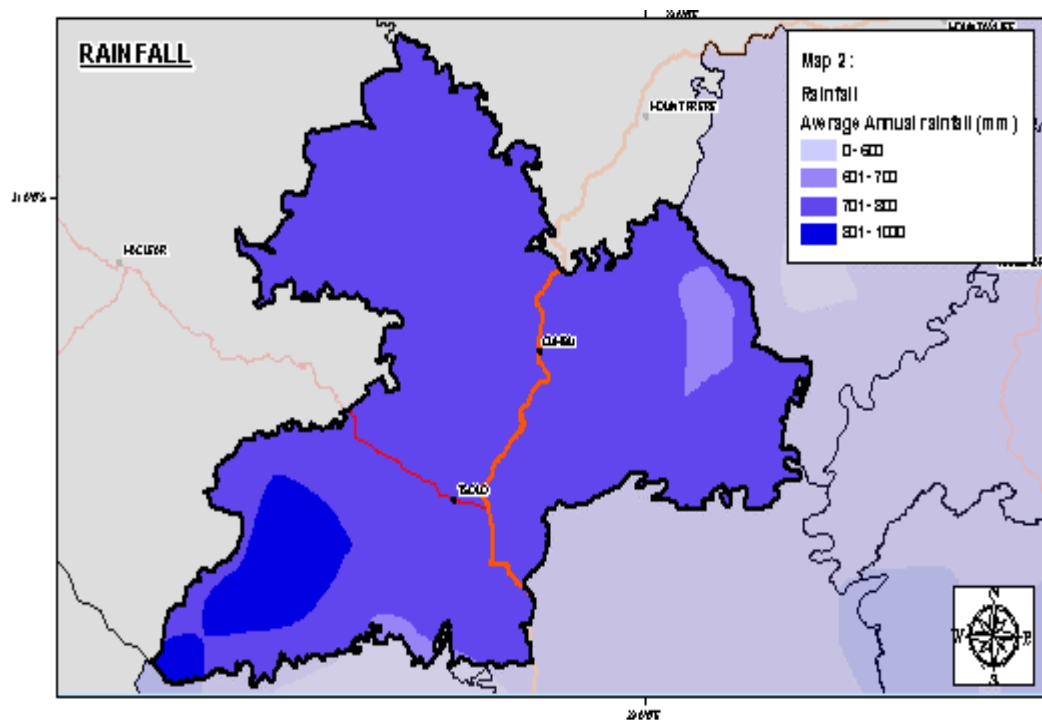
Source: Global Insight (2011)

2.6 Environment

2.6.1 Topography

The topography of Mhlontlo shows that the western area is relatively steep, while the eastern portion is relatively flatter. The major river in the municipality area is the Tina River, which cuts through the eastern section of the municipality.

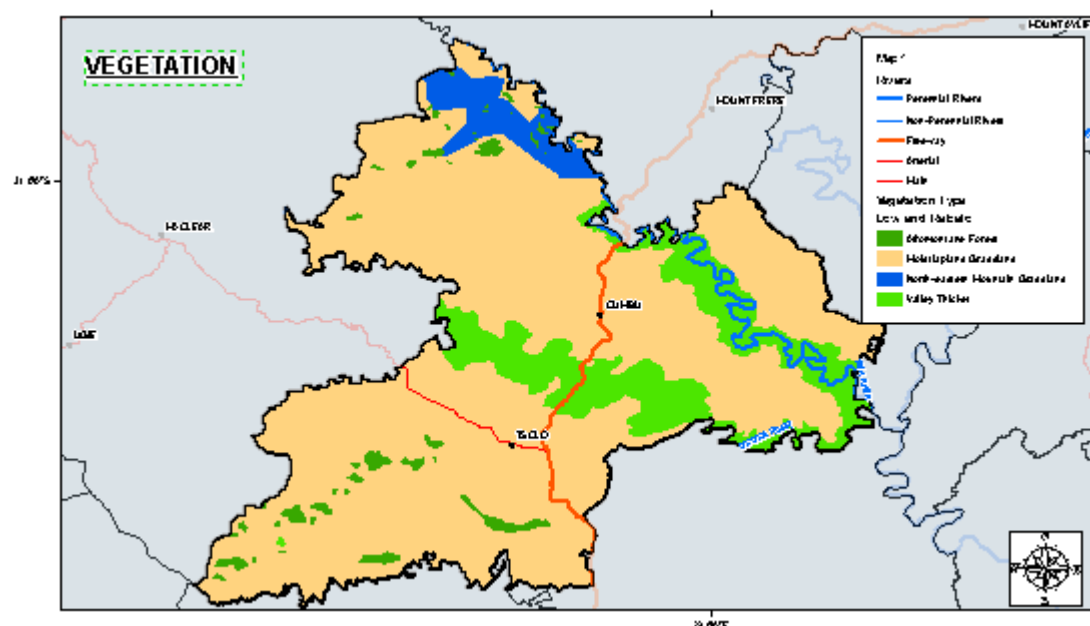




2.6.2 Rainfall

Annual average rainfall for the majority of the area is between 701 and 800mm, with a portion of the western area having a higher rainfall and a small portion of the eastern area with a rainfall of less than 600mm per annum. The topography and rainfall together have implications for the potential productive use of the land, and this will be further examined under the sections dealing with land capability, land cover and vegetation.

2.6.3 Vegetation



The plan above indicates that the majority of the area is Moist Upland Grassland, with a portion along the major water courses being Valley Thicket and a small pocket of North-Eastern Mountain Grassland in the extreme north of the area.

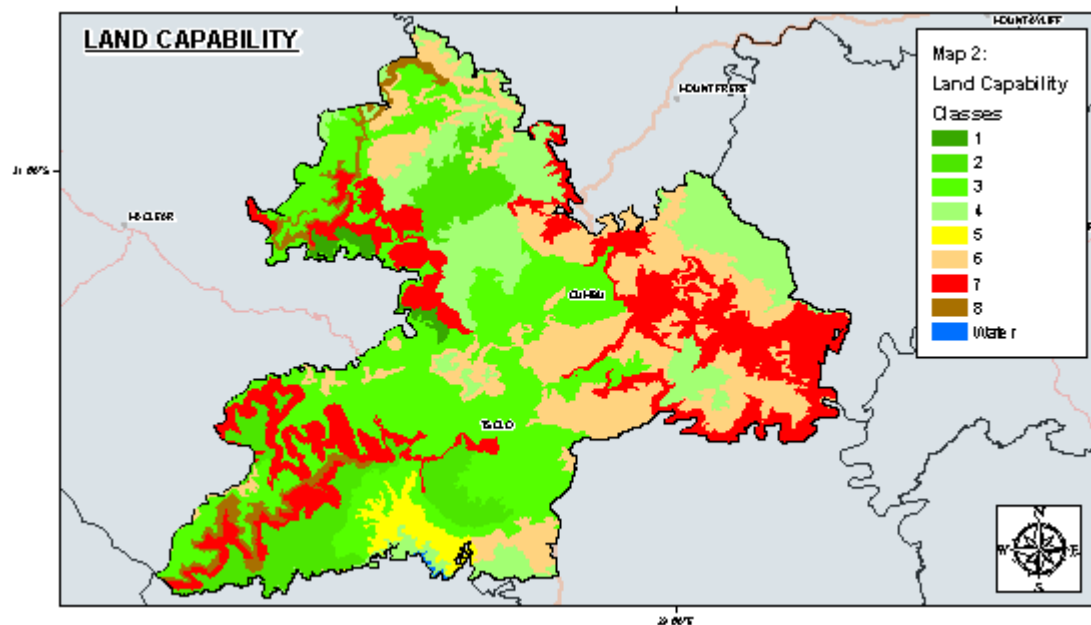
2.6.4 Land Capability

Land Capability is determined by the collective effects of soil, terrain and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with the different land use classes. It is therefore a more general term and conservation oriented than land suitability.

Regarding the Capability Classes, these are designated by the numbers 1 through 8. The numbers indicate progressively greater limitations and narrower choices for productive use. The classes are defined as follows:

CLASS	DESCRIPTION
1	Soil have slight limitations that restrict their use
2	Soils have moderate limitations that restrict the choice of plants or that require moderate conservation practices.
3	Soils have severe limitations that restrict the choice of plants or that require special conservation practices, or both.
4	Soils have very severe limitations that restrict the choice of plants or that require very careful management, or both.
5	Soils are subject to little or no erosion but have other limitations, impractical to remove, that restrict their use mainly to pasture, rangeland, foreland, or wildlife habitat.
6	Soils have severe limitations that make them generally unsuitable for cultivation and that restrict use mainly to pasture, rangeland, forestland, or wildlife habitat.
7	Soils have very severe limitations that make them unsuitable for cultivation and that restrict their use mainly to grazing, forestland, or wildlife habitat.
8	Soils and miscellaneous areas have limitations that preclude commercial plant production and that restrict their use to recreational purposes, wildlife habitat, watershed, or aesthetic purposes.

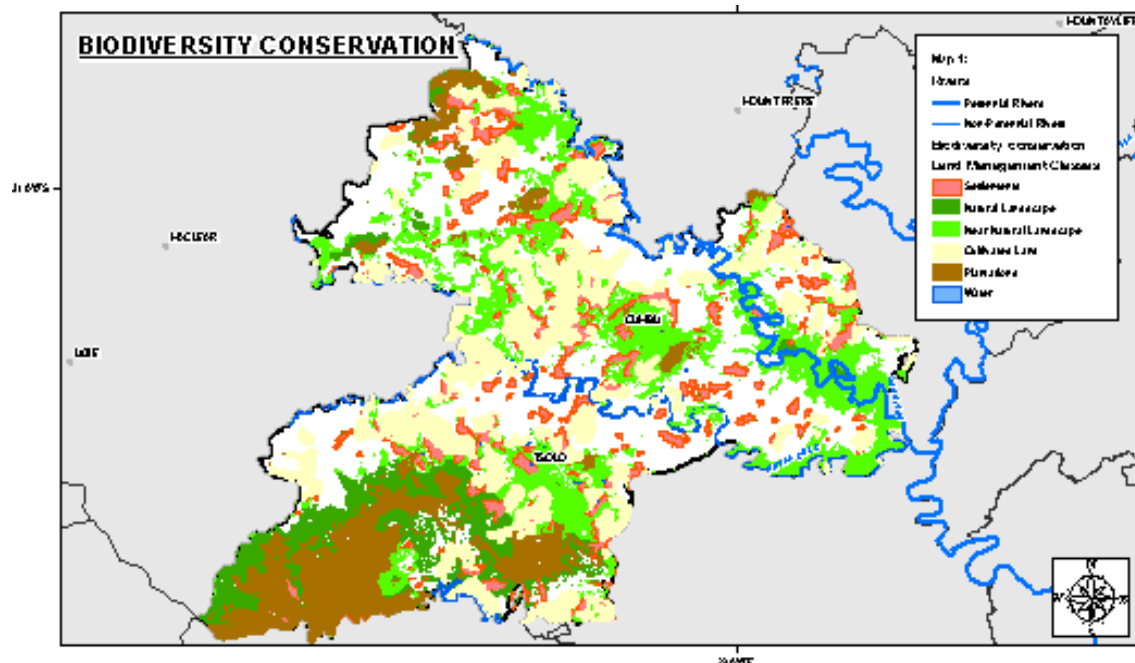
The land capability map indicates that a large portion of the area is classified as Classes 1 to 4, which indicate arable land, suitable for crop production and pastures. The steep areas in the western portion are classified as Class 7 and are most suitable for wildlife, forestry and veld. There are pockets in the eastern section of the area that fall under Class 6, where pastures and limited crop production is possible.



Implications:

- The extent of unimproved grasslands suggests that Mhlontlo has good potential for livestock production, in particular sheep and cattle.
- The good climatic conditions, soils, and land abundance also point to the potential richness of the natural resource base in the municipality and suggests potential in high value crops and fruit production.
- Portions of the area have potential for forestry in terms of land capability, topography and rainfall, and this sector should be encouraged in the western sub-region.

2.6.5 Biodiversity Conservation

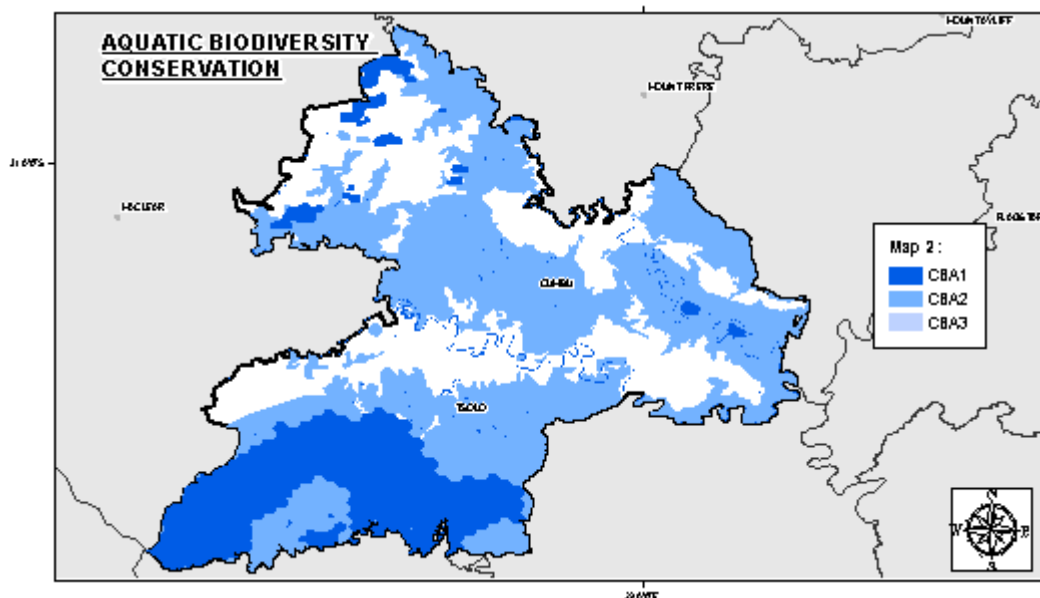


2.6.6 Bioregions

In terms of the Biodiversity Act (Act 10 of 2004), the Minister or the MEC for environmental affairs in a province may determine a geographic region as a bioregion for the purposes of the Act and publish a plan for the management of biodiversity in the region. There is an obligation for government on the one hand to promote rural development poverty alleviation and service delivery, and on the other hand to ensure that the rich natural capital of the Province is sustainably used and conserved such that both current and future generations may benefit.

2.6.7 Critical Biodiversity Areas

Critical Biodiversity Areas (CBAs) are terrestrial and aquatic features in the landscape that are critical for conserving biodiversity and maintaining ecosystem functioning. The ECBCP developed two maps, one showing terrestrial (land-based) CBAs and the other showing aquatic (freshwater) CBAs. The map of terrestrial CBAs was compiled by undertaking a systematic biodiversity planning analysis and adding all biodiversity priority areas identified by other systematic biodiversity planning projects (such as STEP) in the Province.



Aquatic CBAs were identified on the basis of sub-quaternary catchments, addressing the linkages between catchments, important rivers and sensitive estuaries. Priorities were identified through a systematic conservation planning analysis.

2.6.8 Why Conserve Biodiversity

Biodiversity provides us with clean water, air and soil as well as medicinal plants, fuelwood, food products (from fishing, hunting and veldkos), building materials and grazing. Plants roots stabilise the soil and prevent erosion. All of these are vitally important for human wellbeing, Biodiversity also contributes significantly to rural livelihoods. The scenic beauty of the Province provides valuable products for the tourism and wildlife industry, with potential to generate considerable economic revenue from nature reserves, game farms and hunting lodges. At the global scale, we depend on nature, particularly forests, to absorb the carbon dioxide that generate, and to regulate the climate. All of these resources depend directly on biodiversity.

2.7 Access to Basic and Social Services

This section provides an overview of the extent to which there is access to various services within the Mhlontlo Local Municipal area. In each category of service a comprehensive overview of the current situation is presented. The distribution of authority, location of powers and functions across the three spheres of government is reviewed. The challenges presented by the distribution of powers, functions and authority are also briefly appraised.

For the purpose of this situational analysis, these services are categorised into household and community services. Household services are considered those services that can be provided to an individual household. They include such services as water supply and sanitation; refuse removal, electricity, telecommunication etc. On the other hand, community services include those that are provided for the benefit of the community communally e.g. safety and security, community facilities, education as well as health services. It should be noted though that in rural areas, certain services which are supposed to be provided at an individual household level are provided at a communal level based on RDP standards and spatial imperatives. An example of this would be provision of communal taps instead of water provision per dwelling/household.

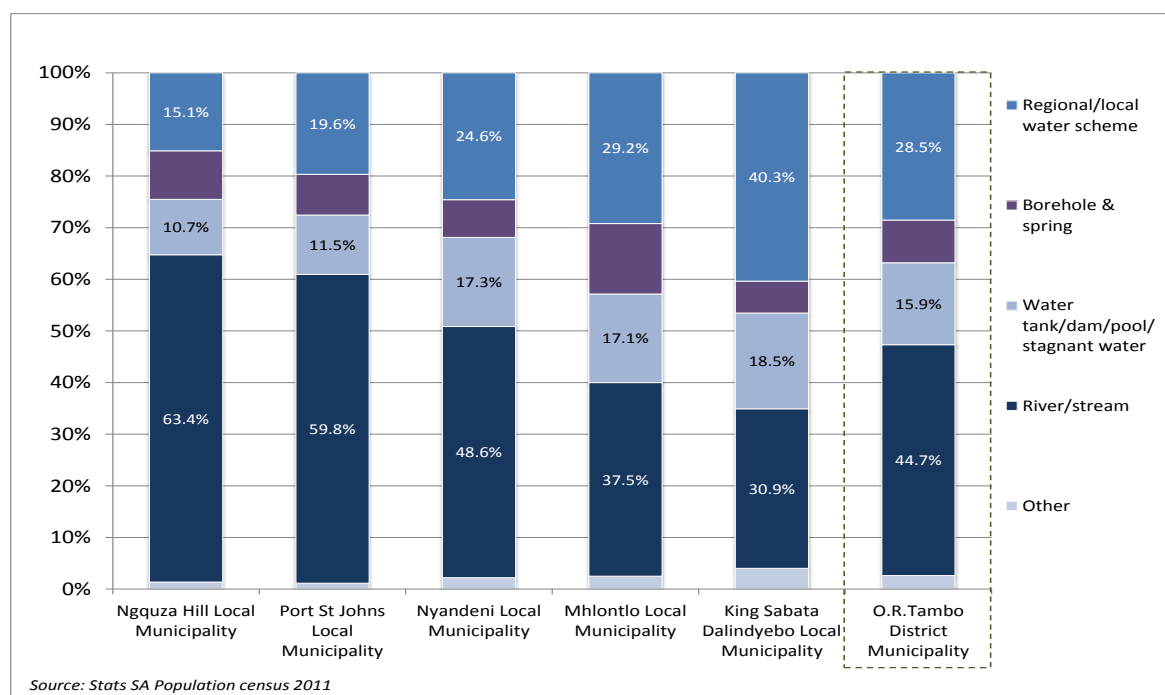
2.7.1 Access to Water Supply

In terms of the current delegation of powers and functions, the function for water supply and sanitation service rests with the OR Tambo District Municipality. As a Water Service Authority (WSA), ORTDM is responsible for ensuring effective and sustainable provision of water and sanitation services and this includes planning, delivery and regulation of services.

As per the Ward Based Planning that was conducted during 2013/2014 year end, the majority of villages are still depended to the natural water from rivers, dams and springs, although there are improvements as compared to the previous years analysis that was low, it is only 30% of the villages who receive clean water from the communal taps. And also there is a challenge of illegal connection by the communities where they connect from the main pipe to the yards.

The following chart provides detail pertaining to the households by access to water in O.R. Tambo District Municipality.

PERCENTAGE OF HOUSEHOLDS BY TYPE OF WATER ACCESS – O.R. TAMBO DISTRICT MUNICIPALITY, 2011



The local municipality with the most access to a river/stream is the Ngquza Local Municipality which has a total of 35 600 households which have access to a river or stream this consists of 63.4% of its total household that have access to water. The local municipality with the best developed regional/local water scheme is in the King Sabata Dalinyebo Local Municipality with a total of 42 453 households with this service this consist of 40.3% of all households that have access to water in that municipality. The Mhlontlo Local Municipality is the second best developed regional/local water scheme with the total of 12670 households with the service that consists of 37.5%.

TABLE 10: NUMBER OF HOUSEHOLDS BY TYPE OF WATER ACCESS – O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	OR Tambo District Municipality
Regional/local water scheme	8 491	6 232	15 149	12 670	42 453	84 995
Borehole & spring	5 274	2 503	4 491	5 926	6 511	24 705
Water tank/dam/pool/stagnant water	6 037	3 652	10 654	7 445	19 521	47 309
Dam/pool/stagnant water	1 677	1 418	1 282	1 436	2 100	7 913
River/stream	35 633	18 966	29 985	16 287	32 513	133 384
Other	778	363	1 368	1 086	4 243	7 838

Source: Stats SA Population census 2011

2.7.2 Access to Sanitation Services

Number of households by access to type of sanitation. This variable categorises and sums all households in a region according to the type of sanitation they have access to. The sanitation types are broken down into 5 categories:

1. **Flush toilet:** Waste is flushed into a tank from where it cannot flow into the surrounding environment and which must therefore be either emptied or pumped elsewhere.
2. **Ventilation improved pit:** A top structure over a pit, vented by a pipe with a fly screen. The pit may be lined or unlined depending on soil conditions.
3. **Pit toilet:** A top structure over a pit.
4. **Bucket system:** A top structure with a seat over a bucket. The bucket is periodically removed and contents disposed of. Widely used but pose health risk to collectors. Most authorities are actively attempting to discontinue the use of such buckets in their local regions.
5. **No toilet:** No access to any of the toilet systems explained above.

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

TABLE 11: NUMBER OF HOUSEHOLDS BY TYPE OF TOILET – LOCAL MUNICIPALITIES
O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Flush toilet	7 286	4 070	3 845	3 911	35 582	54 694
Ventilation Improved Pit (VIP)	13 637	7 678	21 965	11 075	24 972	79 327
Pit toilet	23 831	9 507	14 707	17 172	26 619	91 836
Bucket system	694	279	523	250	488	2 234
Other	2 666	1 850	3 912	1 436	3 798	13 662
No toilet	8 100	8 330	16 696	9 571	13 781	56 478
Total	56 214	31 714	61 648	43 415	105 240	298 231

Source: Stats SA Population census 2011

As shown in **Table 11** (SSA, 2011) above only 9% of the total number of households has access to flush toilets connected to the main sewer. The above figure reflects a 2.2% increase from the 2001 estimates of 2.9%. It is further estimated that 25.5% of households have access to Ventilation Improved Pit (VIP) toilets, a further estimated 39.6% have Pit latrines toilet, 22% with no access to sanitation and this contributes to the overall increase in the number of households with improved sanitation infrastructure. It should be noted though that in rural areas, certain services which are supposed to be provided at a household level are provided at a communal level. An example of this would be provision of communal taps instead of water provision per dwelling/household.

As is evident from the afore-going, progress towards addressing the sanitation backlogs has been rather slow. In order to meet the national government sanitation backlogs, the municipality, in a close collaboration with OR Tambo needs to develop and roll out a bold backlog eradication plan. During this process, strategically Mhlontlo plans to building internal capacity towards becoming a Water Services and Sanitation Authority. Already initial processes towards building that capacity are underway. Part of what the municipality will be undertaking a municipal wide awareness campaign to encourage those who can afford to provide for their households to invest in appropriate sanitation services.

According to the Ward Based Planning that was conducted during 2013/2014 financial year, sanitation is still a challenges as the majority of the communities raised a complaint about the poor rollout of sanitation into their villages. The issue of bucket systems was addressed by the District as there are no bucket system in both urban areas of Mhlontlo.

2.7.3 Refuse Removal

Solid waste management, with the exception of hazardous waste is a competency local government. Within the sphere of local government, solid waste management is defined as a responsibility of local municipalities however, Section 84 of the Structures Act assigns some responsibilities for regional scale landfills to district municipalities. In order to deliver on this mandate local municipalities are expected to have a council adopted Waste Management Plan which will guide a municipal – wide waste management process. The Waste Management Plan is still under developed with the assistance of Department of Environmental Affairs.

Currently the municipality only provides refuse removal service in the urban parts of Qumbu and Tsolo. The majority of the municipal area which is made up of vastly rural communities remains without municipal refuse services. As a result, most households in rural areas practice 'burn and bury' to eliminate household refuse. Compounding the problem further with regards to the availability of bulk services is a fact that, in Mhlontlo, there are two legally compliant landfill facilities within the municipality (Qumbu & Tsolo site).The municipality has provided waste bins around urban centres of Mhlontlo. By-law on public nuisance is in place in trying to control illegal dumping.

As per the Ward Based Planning conducted for 2013/2014 year end, there is a programme that is run by Mhlontlo Municipality (EPWP) Food for Waste Programme that is amounting R1,2m where people from the communities are employed to collect the waste and are compensated with food and the Municipal Truck collect the waste weekly.

According to the most recent statistical estimates (SSA-2011), 95.2% of households within the Mhlontlo Municipal area do not have access to either formal or municipal provided refuse removal. Of the remaining households, only 4.8% have access to daily pick up services with the remainder accessing the service less often. For a succinct outline of the state of access to refuse removal. See **Table 12** below;

Table 12: Access to Refuse Removal Services

Source	No. of Households	%
By municipality or private sector	2664	5.3
Communal	1694	3.4
Own refuse dump	36243	72.7
No refuse removal	8434	16.9
Other	826	1.7
Total	49861	100

2.7.4 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years and today. Most people would acknowledge that the country has a crime problem, but very little research has been done on the relative level of crime. The media tends to publish sensational, exaggerated case studies and ignores the progress and positive side of combating crime.

IHS GLOBAL INSIGHT COMPOSITE CRIME INDEX

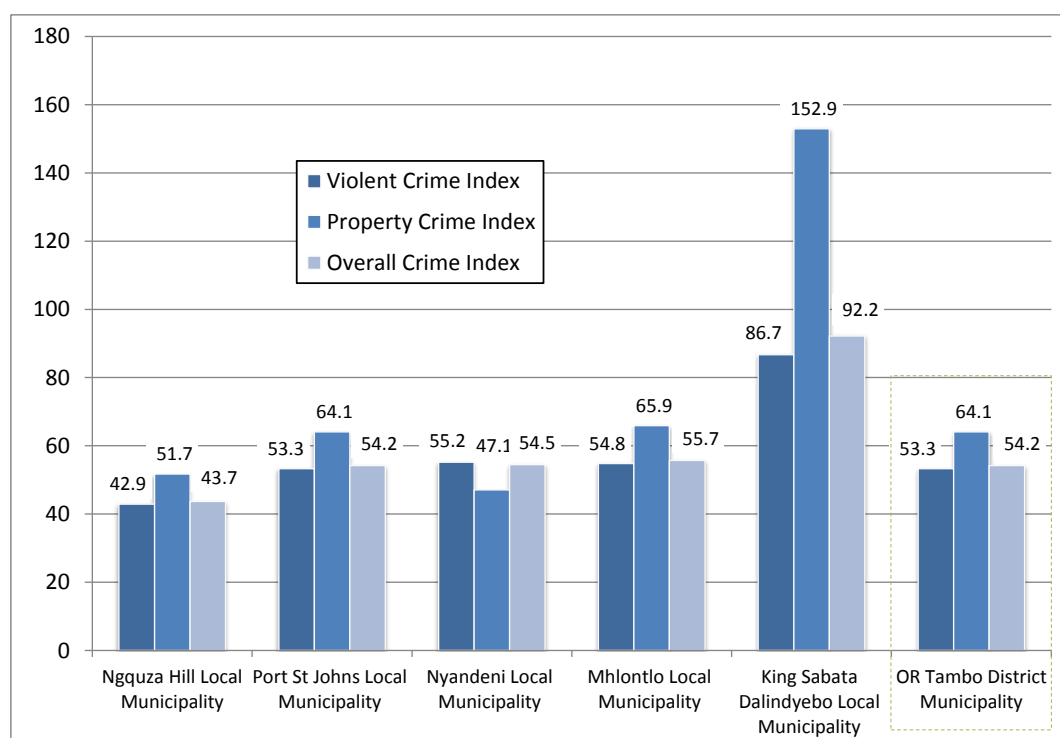
The IHS Global Insight composite crime index is compiled using official data from the SAPS which is reported in 27 crime categories ranging from murder to crime injuries. These 27 categories are divided into two groups according to the nature of the crime—violent crimes and property crimes. Two methods are then used to derive weights for each category of crime:

- (a) Length-of-sentence approach and
- (b) Cost-of-crime approach.

OVERALL CRIME INDEX

Definition | The crime index is a composite weighted index of crime. This variable provides a comparative time series of the change in the level of crime. The higher the index number, the higher the level of crime in the selected year and region. However, a single figure by itself is meaningless unless compared with a figure from either another year or another region.

CRIME INDEX BY LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011/2012 FINANCIAL YEAR



It is clear that in the local municipalities where the economy is more advanced; it is also more prone to crime. A proof of this is seen in the King Sabata Dalindyebo Local Municipality where the property crime is above average.

CRIME INDEX BY LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011/2012 FINANCIAL YEAR

2011/2012	Violent Crime Index	Property Crime Index	Overall Crime Index
Ngquza Hill Local Municipality	42.94	51.71	43.67
Port St Johns Local Municipality	53.29	64.07	54.19
Nyandeni Local Municipality	55.18	47.12	54.50
Mhlontlo Local Municipality	54.78	65.94	55.71
King Sabata Dalindyebo Local Municipality	86.68	152.92	92.21

The change on an annual basis is very volatile due to the size of the population of the municipalities. A small increase in the actual crime might reflect as large percentage increase. It is clear that a similar trend towards the local municipalities is noted. The Community Safety Forums have been launched in some of the villages of Mhlontlo with the assistance of SAPS in trying to reduce crime within the communities.

2.7.5 Access to Energy

This section is presented as three components comprehensively covering all aspects of the state of access to energy. The first component analyses households in terms of the forms of energy used for lighting. The second component looks at energy as a means of cooking while the last component looks at energy as a source for heating.

The following chart provides detail pertaining to the households by type of electricity usage in O.R. Tambo District Municipality.

NUMBER OF HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION – O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R. Tambo District Municipality
Electricity for lighting	35 317	21 504	43 760	31 525	77 182	209 288
Electricity for cooking	20 323	9 885	24 669	19 444	60 464	134 785
Electricity heating	10 680	5 406	9 583	6 519	20 888	53 076
Percentage of total households:						
Electricity for lighting	62.8%	67.8%	71.0%	72.6%	73.3%	70.2%
Electricity for cooking	36.2%	31.2%	40.0%	44.8%	57.5%	45.2%
Electricity heating	19.0%	17.0%	15.5%	15.0%	19.8%	17.8%

Source: Stats SA Population census 2011

The local municipality with the most households with access to electricity for cooking is the Sabata Dalindyebo Local Municipality at a total of 60 464 households or 57.5% of the total households. In O.R. Tambo District Municipality a total of 209 288 households have access to electricity for lighting, which is 70.2% of the total households. The Port St Johns Local Municipality have the least access to lighting with a total of 21 504 households or 67.8% of the total households in that municipality having access.

Access to energy is vital both as a basic service need for household consumption but most importantly as an economic catalyst. The state of access to energy within Mhlontlo is consistent with the level of access to energy within the Eastern Cape where according to the Department of Minerals and Energy only 70% thus far have access to electricity compared to 92% in Gauteng. Whilst there is an overall increase in the rate of access to electricity in SA, as the foregoing posits, the situation in Mhlontlo is a complete contrast and the statistics above confirms this situation. This state of lack of access will mostly be affected by the current energy crisis and thus make it even more difficult for the Mhlontlo to meet the national target. As has been the case at a national level, the reduction in national revenue intake may also have some effect on smaller municipalities like Mhlontlo. However, the indicative plans to undertake connecting 10687 households will make a significant impact within the municipality. The municipality will ensure that the existing working partnership between itself and ESKOM is strengthened in order to ensure a smooth rollout of the electrification process.

According to the Ward Based Planning 2013/2014 that was conducted to all the wards, the Municipality is seating at a backlog of about 9330 households currently that have no access to electricity. In most of the villages there is a challenge of inaccessibility, roads are bad.

2.7.6 Telecommunications

According to the SSA (2011) estimates that 58% of households within Mhlontlo Municipal area have access to mobile telecommunications while only 42% are estimated as having no access to such facilities. In contrast, 99% of households are estimated to be without access to a fixed telephone facility. The two major challenges associated with mobile telephone are affordability and network quality. Telephone access has the potential to improve access to other services including health as well as safety and security. It is imperative that the municipality explores possibilities of establishing strategic partnerships to ensure provision of service centres to enable easy access to essential services such as telecommunication, police, health, postal services and emergencies/disaster management. This huge lack of access to a fixed telephone line may also affected the state of access to ICT and as such perpetuate the rural – urban digital divide.

2.7.7 Computers, Internet and Postal Services

Lack of access to ICT has been identified as one of the characteristic features of poverty and this has been added as an aspect to measure the level of development and quality of life for municipal inhabitants. According to census 2011 estimates, a whopping 99.5% of the total number of households in Mhlontlo Municipality either do not own or have access to both a computer and internet. This is potential indicative of lack of information and relevant skills within the municipal area. This is collaborated by a similar proportion of approximately (97%) of households who do not have access to postal services thus indicative of a possibility that the majority of people within this municipality do not have access to important information. This is hugely bad picture considering that 71.03% of the municipal population is below 34 years old. This may also be indicative of the extent to which schools and all education centres within Mhlontlo are inappropriately equipped in terms of libraries and internet facilities.

2.7.8 Health

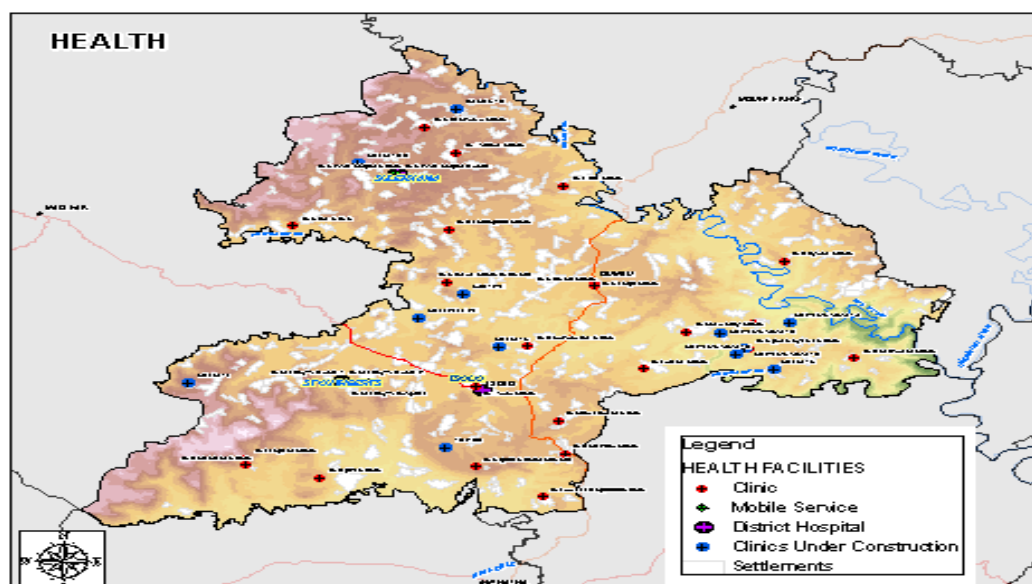
The Constitution makes a distinction between health services -which is a concurrent national and provincial function- and municipal health services which is an exclusive municipal function. The National Health Act defines 'Health Services' as:

- Health care services including reproductive health care and emergency medical treatment, contemplated in section 27 of the Constitution,
- Basic nutrition and basic health care services contemplated in section 28 (1) (c) of the Constitution,
- Medical treatment contemplated in section 35(2) (e) of the Constitution, and
- Municipal health services.

Provincial departments of health continue to take primary responsibility for hospital services, with oversight and coordination from the national department. The National Health Act further defines 'Municipal Health Services' as:

- Water quality monitoring,
- Food control,
- Waste management,
- Health surveillance of premises,
- Surveillance of prevention of communicable diseases, excluding immunisations,
- Vector control,
- Environmental pollution control,
- Disposal of the dead, and
- Chemical safety

The definition excludes port health, malaria control and control of hazardous substances. It is notable that all of these activities under the municipal health function involve environmental health but exclude the promotional aspects normally included with environmental health. They are essentially regulatory in nature and have little link to the curative health system, with the exception of immunisations.



As per the Department of Health Qumbu Sub-District; there are three hospitals and 28 clinics servicing the whole municipal area; two mobile clinics and two community health centres still under construction. This is indicative of a huge progress from only 25 clinics confirmed in the 2005 Water Affairs Reference Framework. According to the Provincial Department of Health within Mhlontlo Local Municipality the following clinics are at various stages of construction:

- Tikitiki
- Malepelepe

The provincial Department of Health has not made any provision for new health facilities during the ensuing financial year, but has plans to undertake renovations and upgrading of Sulenkama and St Cuthberts respectively.

From what has been reported, all the Mhlontlo Health Posts except Mhlahlane Clinic have been assigned (accredited) to deliver antiretroviral. A study conducted recently by a Dr. Pierre Barker under the auspices of the University of North Carolina (2008) Mhlontlo was only served by few doctors with an average ratio of over 70 000 patients per doctor.

2.7.8 HIV+ and AIDS estimates

HIV and Aids can have a large impact on the growth of a given population. However, there are many factors that affect the impact that the virus will have on population progression, namely; the adult HIV prevalence rates, speed at which the virus progresses, age distribution of the virus and the mother to child transmission and child treatment, adult treatment and finally the percentage by which having the virus will decrease total fertility. The definition of the HIV+ and Aids estimates are defined as follows.

Definition	The HIV+ estimates were estimated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates were used as base rates on a provincial level. However, IHS Global Insight slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary data sets – in particular the HIV/AIDS surveys conducted by the Department of Health and the Ante-Natal clinic surveys. Their rates are further adjusted for over-reporting and are smoothed.
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In 2011, the total number of people infected with HIV in O.R. Tambo District Municipality was 144 930. The number of people infected increased at an average annual rate of 3.1% between 2005 and 2011, and in 2011 represented 11.2% of the total O.R. Tambo District Municipality population.

The lifespan of people that are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV do live for approximate 10 years before reaching the final AIDS stage of the disease.

NUMBER OF HIV+ PEOPLE IN O.R. TAMBO DISTRICT MUNICIPALITY, EASTERN CAPE AND SOUTH AFRICA, 2005 – 2011

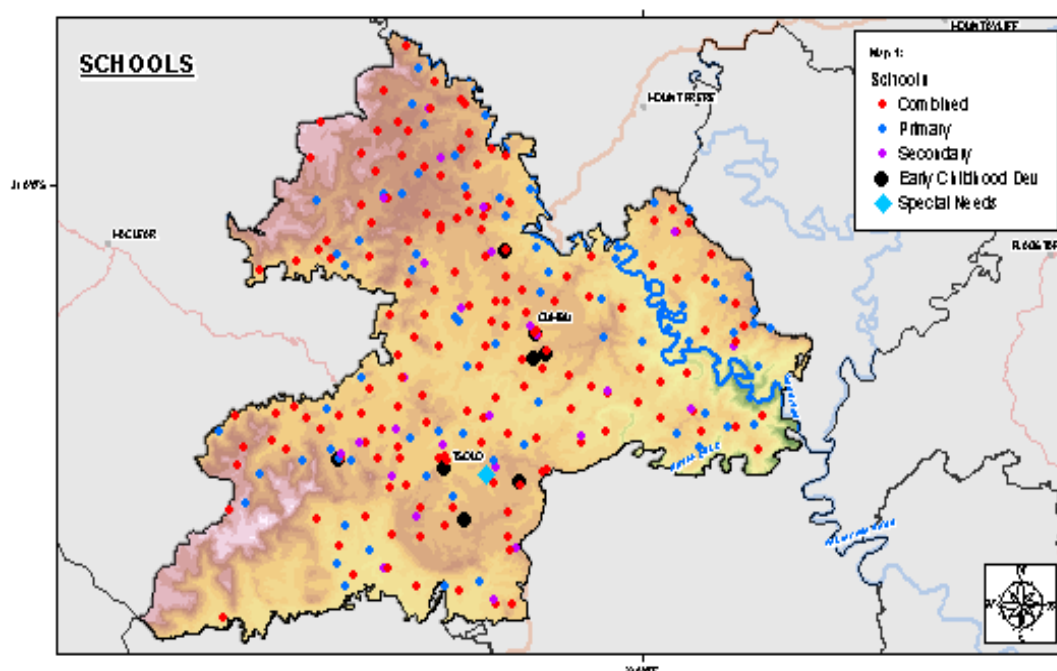
Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquzu Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
2005	4 347 562	563 849	120 928	22 929	12 496	25 814	17 788	41 901
2006	4 489 107	592 215	127 146	24 074	13 127	27 213	18 636	44 095
2007	4 588 712	613 499	131 710	24 921	13 587	28 245	19 237	45 721
2008	4 670 939	632 697	135 790	25 682	13 995	29 163	19 771	47 180
2009	4 739 444	649 219	139 248	26 332	14 339	29 938	20 219	48 420
2010	4 798 969	663 802	142 296	26 908	14 639	30 620	20 613	49 516
2011	4 849 858	676 587	144 930	27 408	14 895	31 206	20 950	50 470
Average annual growth rate								
2005-2011	1.8%	3.1%	3.1%	3.0%	3.0%	3.2%	2.8%	3.2%
% of population								
2011	10.8%	10.5%	11.2%	9.8%	9.5%	10.7%	11.1%	11.2%

Population source: Stats SA Population census 2011

South Africa has a total of 4.8 million people who were HIV+ in 2011; this increased at an average annual growth rate of 1.8% and constitutes 10.8% of the total population. The Eastern Cape Province has a similar profile with 10.5% of the people being HIV+, but it is growing at a much faster rate (3.1%). The average annual growth in the number of HIV+ people in O.R. Tambo District Municipality is similar to that of the province at 3.1% but has a higher percentage of people living with the disease at 11.2%. The Mhlontlo local municipality is affected the least where the HIV+ number is growing at 2.8% average annually compared to the other locals in the district as you see the table above from 2005 to 2011.

2.7.9 Education

The Department of Education Qumbu District indicates that there are still about 58 mud or clay structures, 13 schools under construction, 03 major renovation, 27 toilets under construction, 80 schools without water and sanitation, 104 schools need security fencing, 29 disaster schools. The state of education within Mhlontlo requires urgent attention. The district (Mhlontlo) according to the 2013 matric pass rate, is still low with only 1339 (52,6%) pass rate from an estimated 2641 pupils registered to sit for matric examinations last year (2013). Although there is an increase of 3.2% compared to 2012 matric results.



Despite the fact that some schools do not have access to services such as proper sanitation, electricity and consistent supply with clean water as well as essential learning enhancing facilities such as library and science laboratories, the municipal area is doing well with respect to the teacher's ratio of 2497. However, with 71.8% people living in poverty and a whopping 72.3% economically active inhabitants being unemployed from a population that is generally youthful (71.03% 34 years and below), a 47, 4% failure rate in matric is a serious indicator of the worsening state of development within Mhlontlo especially considering the fact that 67.9% of the populace's level of education is below matric.

Urgent attention needs to be given to several areas including, ensuring that all those who through the system do not drop out of school and are supported to sit for their matric exams if the current levels of illiteracy will be significantly reduced. It must also be noted that even those who are not within the schooling system, constitute a huge proportion of young men and women who may need to be canvassed back to school using various options of skills development and education. The indicative plans by the Provincial Department to properly build schools as part of eradication of mud structures are encouraging signs and the municipality will play an instrumental role to ensure that all possible obstacles and potential inhibiting factors are eliminated.

The number of learners fed has sat at 62513 this financial year, and the number of learners transported to school of 3553 can encourage the pupils to go back to school.

2.7.10 Housing

The provision of housing is currently a shared responsibility across the 3 spheres of government with provincial government being the main implementing agency. According to the National Housing Act; municipalities are required to undertake planning of housing development, provide the infrastructure for housing projects and take over responsibility for the management of housing developments. They are also expected to identify land for housing in relation to their spatial development framework. Furthermore, municipalities are responsible for the identification of people who are eligible for receiving housing subsidies and, in selected cases they are responsible for contracting with developers. However, provinces retain control over housing subsidies and the approval of projects to be supported.

The most recent official government definition of Formal Housing comes from the Comprehensive Plan, passed by Cabinet in 2004 – and informed largely by the Housing White Paper, 1994. This definition, summarised, states that a formal dwelling should be;

- (a) A permanent residential structure
- (b) Under secure tenure
- (c) Internally and externally private
- (d) Able to provide sufficient protection from the elements
- (e) Able to meet the sanitation, water and electricity demands of the occupants
- (f) In an area that is close to social amenities, health and education services and employment opportunities

In planning for the provision of housing, municipalities are expected to ensure its integration with spatial planning, land use management, roads and other plot-based services, public transport, public places and community development. All of these are expected to be detailed in a Municipal Housing

Sector Plan. While there is a sector plan in place, it requires a review to factor in the necessary updates to both ensure it bases its analysis on the latest situational analysis as well as anchoring all proposed housing projects on the imperatives of the municipal spatial development framework.

The Municipality has conducted land audit in 2012. There is identified land that can be banked and the land that is available for new development purposes. The municipality is in process of fencing the commonage and also the use of ranger to control the land invasion.

LAND CLAIMS

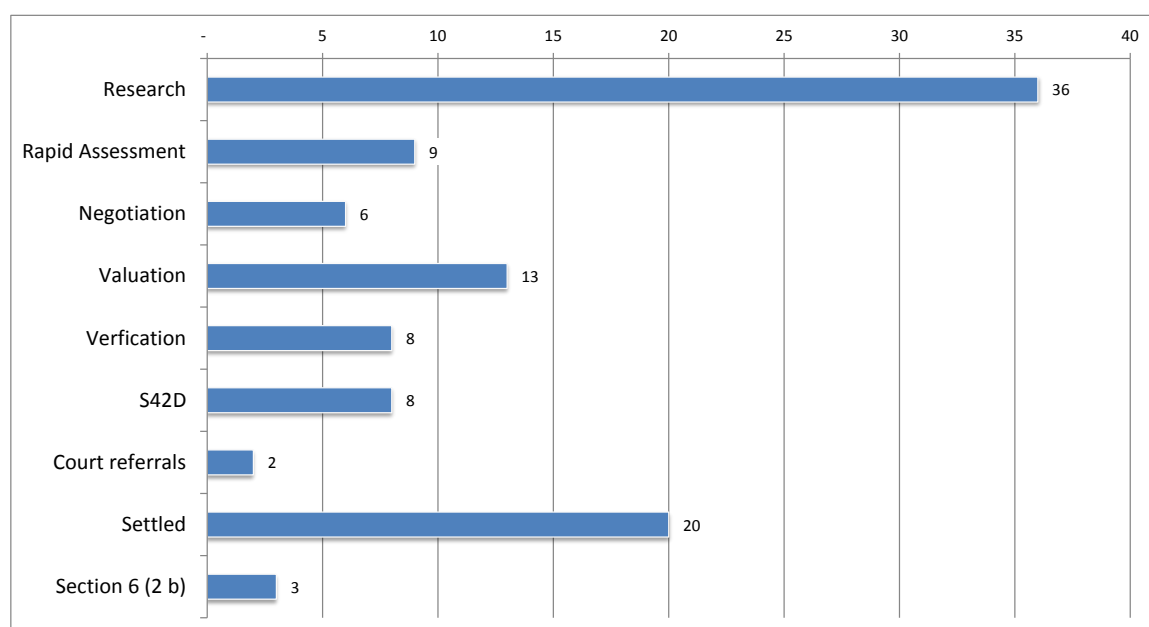
The following is the Land claims of the O.R. Tambo District Municipality

OVERALL LAND CLAIMS IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011

	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	Total
Research	13	-	2	3	18	36
Rapid Assessment	-	6	2	-	1	9
Negotiation	2	-	-	3	1	6
Valuation	2	6	2	1	2	13
Verification	1	-	2	2	3	8
S42D	7	1	-	1	-	8
Court referrals	-	-	-	-	2	2
Settled	6	5	5	3	1	20
6.2(b)	2	-	-	-	1	3
Total	33	14	16	20	35	118

The overall land claims in O.R. Tambo District Municipality amounts to a total of 118, but it is not necessarily all been approved. The land claims process is done by different approaches

OVERALL LAND CLAIMS IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011



Land claims under research amounts to 36 in 2011. The number of settled land claims amounts to 20 and the number of valuations under process amounts to 13. Court referrals is only 2 and the number of land claims still under rapid assessment is 9.

There is Amanxasane Land Claim and the Municipality is busy negotiating with Amanxasane as claimants in trying resolve some of the issues that may hinder service delivery. The Xhokonxa land claim has been validated and the municipality is also in process of speeding up the resolution of the land as it has a potential of hindering service delivery.

2.7.11 Public Places and Community Facilities

The constitutional schedules have a number of functional areas which relates to public places and these need rationalising. Local government is responsible for public places within human settlements. Even Section 84 of the Systems Act is consistent with this notion. However there are some concerns with the location and responsibility for municipal libraries. Municipal libraries are integral to public spaces and should be a key component of Multi-purpose Centres. There is a place to establish two libraries in both towns Tsolo and Qumbu. As such they belong with cities. However outside cities the importance of public places declines and the ability of provinces to manage libraries regionally become more important.

The first issue is the allocation of funding to such facilities, both on the capital and operating account. But then there is a problem of organisational arrangements to manage the facility. All too often municipalities are not able to do this well. In the case of operating expenditure municipalities serving economically weaker areas, B4s in particular, are not able to allocate revenue to cover the costs of running community facilities. 10 wards within Mhlontlo Municipality have ward centres and 16 wards have not. There is also a lack of funding for office equipment and personnel to assist the communities in the centres.

2.7.12 Roads Infrastructure

There is clearly a hierarchy in the roads system with roads ranging from national roads (a 'plenary' function which is the responsibility of national government as it is not mentioned in the schedules), provincial roads and municipal roads. The hierarchy is continued further with respect to district roads, which are recognised through the provisions of Section 84 of the Structures Act.

The roads within human settlements, particularly larger ones, are an integral part of such settlements and in fact define the shape and density of settlements and the way people move within them. To a greater extent, planning local economies require clarity in terms of both planned and state of access to and linkage with major routes in-between economic hubs. For the next year the municipality plans to undertake construction of 40 km's of roads spread across with an estimated capital budget of R40.675 million. However, the Municipal Spatial Development Framework clearly provide a mapped detail in terms of the state of access to and the level of backlog to this service by category. For each category of roads, the mapped outline will indicate where the existing roads are and to what extent are such appropriately linked to the municipal strategic infrastructure provision and the local transport planning.

According to the Ward Based Planning that was conducted during 2013/2014, the Mhlontlo Local Municipality is experiencing a big challenge on roads and infrastructure. About 4450+/_ kms of roads that are needed by the community of Mhlontlo. The Mhlontlo Municipality should develop a plan which will address the above backlog.

2.7.13 Access to Transport Services

Although this has been a trend only in urban municipalities, all municipalities are required to develop own Integrated Transport Plans. In the context of Mhlontlo the transport vision outlined in such Integrated Transport Plan would typically be weighted towards public transport. The proposed transport system in terms of mode, routes and interfaces including planned provision of related public facilities will be anchored on the imperatives of the Spatial Development Framework. The municipality's Integrated Transport Plan will identify and defined three implementation mechanisms that are relevant to the spatial development framework's movement policy and the implementation of an appropriate public transport system. They should be:

- **A Strategic Public Transport Network** which links major areas with high impact economic activities and interventions
- A transportation nodal programme which outlines interfaces, interchanges and transfers amongst different modes and categories of roads
- Strategic Public Transport Network flagship projects, which will guide the municipality in terms which type of transport mode, will be responsible for which route etc.

In terms of the Strategic Public Transport Network (SPTN) which is more relevant for the context of Mhlontlo Municipal area, some of the important operating concepts will include following:

- All road-based services that are subsidised should be confined to the identified routes.
- Transfers should happen at identified interchange nodes.
- Routes should be serviced in the peak and off-peak times.
- The public transport (buses) routes need to be advertised and marketed.
- A standard fares system need to be introduced.
- Improve standards of living; by providing safe and affordable transport access to employment, education, recreation and markets.
- Poverty reduction, which includes providing, targeted interventions to support access to income opportunities and affordable transport for the poor.

Given the fact that majority of public transport users rely on minibus taxis and LDVs, worth noting would be the cost effect of the fluctuating fuel prices as well as the connectivity of different transport modes between, taxis and buses.

The state of access to transport service will only be finalised after the consolidation of the IDP's situational analysis and that of the Municipal Spatial Development Framework. It is expected that a number of relevant aspects are part of the critical questions, which are addressed in the SDF.

2.7.14 Access to Social Welfare

In order to understand this 'sector' it is necessary to unpack the terms 'economic development' and 'social development'. These are really outcomes rather than functions. It is suggested here that function associated with economic development is 'business and enterprise support' and that the social development incorporates the following functions:

- Social services: the 'public good' type of services provided to individuals and aimed at improving their individual well-being and at developing their ability to engage with the economy. This includes social welfare.

- Social welfare: a set of activities aimed at providing relief to those who are facing acute stress due to their individual circumstances, including: childcare and protection services; care and services to older people; HIV and Aids support; support to victims of crime; services to persons with disabilities; substance abuse; victim empowerment; and care and support services to families.
- Social security (grants): the transfer of funds to individuals who are unable, even in a well functioning economy, to earn an income themselves sufficient to allow them to satisfy their basic needs.

2.8 Institutional Development and Transformation

This section is a detailed internal analysis of the municipal status quo, focusing on powers and functions, delegation framework, municipal composition, staff establishment and financial viability. The situation analysis provides a high level overview of the progress achieved towards the implementation of the priorities set for 2013/2014. In addition, the report emphasises issues raised by the Auditor General and the steps taken to address them.

2.8.1 Municipal Powers and Functions

Powers and functions of local municipalities are stipulated in Section 156 of the Constitution of the Republic of South Africa Act 108 of 1996. Utilising information gathered from the annual capacity assessment report conducted by the Demarcation Board, **Table 13** below tabulates key priorities set out in the current IDP and a high level progress on each priority.

Table 13: High Level Progress review

Priority in IDP	Progress
Conduct assessments as per Section 78	Not completed
Establish service level agreements for functions outsourced and/or performed by another government entities.	Service Level Agreement for Billboards and display advertisement in public places. Establishment of a SLA for fire-fighting, water and sanitation with O.R. Tambo District Municipality is in progress. SLA with DEDEA, Public Works, Nyandeni LM and Lundini LM.
Establishment of service level agreement with other organs of state and private organisation	Standard Bank Complete, SEDA and Trade and Invest Mhlontlo (TIM)
Increase functions performed by Mhlontlo Local Municipality	Licensing authority complete and is fully functioning. Construction of Weigh Bridge is still in process with the Department of Transport.
Projects that need Environmental Impact Assessment (EIA)	There are three access roads and Multi-purpose hall will be implemented in 2013/14 financial year and will need EIAs.

A review of functions performed or not performed by Mhlontlo; capacity levels to perform the respective function; details of any external arrangements related to the respective functions are shown in **Table 14** below.

Table 14 Municipal Powers and Functions

#	Local Government Function	Description of function performed by Mhlontlo Local Municipality ³	Mhlontlo Performing (Yes/No) ⁴	Comment by Management	Municipal Demarcation Board Assessment 2008/2009	Use of External Entity, Service Level Agreement in place and Section 78 completed
1.	Air pollution control	NONE	YES	Working with DEDEAT	Not performing function	NO
2.	Building regulations	Approve plans inspection	YES	Supporting Housing Department	Understands authority and has adequate capacity to perform function	NO
3.	Child Care Facilities	NONE	NO	Facilities constructed and handed over to DoE	Authority not understood and no adequate capacity to perform function.	NO
4.	Fire-fighting services	NONE	NO	Done by O.R Tambo through a MOA	Authority for the function but function not performed. No agreement reported	NO
5.	Local Tourism	Promote Tourism Planning for LED	YES		Understands authority and has adequate capacity to perform function	
6.	Electricity and gas reticulation	NONE	NO	Managing reticulation of Electricity, funds received from DoM&E	Understands authority and does not have adequate capacity to perform function	
7.	Municipal Planning	Provide Strategic	YES		Understands authority	

³ Source: Municipal Demarcation Board Assessment of Capacity for 2012/2013 Period

⁴ Source: Interviews with Municipal Management

		Planning and Heading IDP			have a adequate capacity to perform function	
8.	Municipal airport	NONE	NO	The nearest airport is Umtata Airport which is about 70kms	NO	
9.	Municipal health services	NONE	NO		Not an Authority	
10	Municipal public transport	NONE	NO		Authority for the function but function not performed.	
11	Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	NONE	NO	Not Applicable	Authority for the function but function not performed.	
12	Municipal public works only in respect of the needs of the municipalities		YES			
13	Storm water management system	Provide water drainage system	YES		Understands authority and has adequate capacity to perform function	
14	Trading regulations	Issue Trading Licences	YES		Understands authority and does not have adequate capacity to perform function	NO
15	Water and sanitation services (limited to potable water supply system, domestic waste water and	NONE	NO	District Municipality	NO	NO

	sewerage disposal system)					
16	Beaches and amusement facilities	NONE	NO	Not Applicable	There are no beaches but there are amusement facilities such as Tsitsa falls and Tina falls	NO
17	Billboards and display advertisement in public places	Advertising	YES		Does not understand authority and does not have adequate capacity to perform function	SLA in place and Section 78 completed
18	Cemeteries, funeral parlours and crematoria	Provide Cemetery Services	YES		YES	
19	Cleaning	Cleaning of streets and roads	YES		YES	
20	Control of public nuisance	NONE	YES	Working with the Police Department	Authority for the function but function not performed.	Policy in place
21	Control of undertakings that sell liquor to the public	NONE	YES		Authority for the function but function not performed.	
22	Facilities for the accommodation care and burial of animals	NONE	YES		Authority for the function but function not performed.	
23	Fencing and fences	NONE	YES		Authority for the function but function not performed.	
24	Licensing of dogs	NONE			Authority for the function but function not performed.	
25	Licensing and controlling of undertakings that sell food	NONE	YES	Done by the Department of Environment	Authority for the function but function not	

	to the public				performed.	
26	Local amenities	Management and maintenance of Municipal amenities	YES		YES	
27	Local sport facilities	Maintenance of sports fields Fencing (ADHOC)	YES		YES	
28	Markets	NONE	YES		Authority for the function but function not performed. The nearest is Kei Fresh produce which is OR Tambo District which is utilised by local farmers.	
29	Municipal abattoirs	NONE	NO		Authority for the function but function not performed.	
30	Municipal parks and recreation	Provision of recreation facilities	YES		YES	
31	Municipal roads	Construction and Maintenance of roads	YES		YES	
32	Noise pollution	NONE	YES		Authority for the function but function not performed.	
33	Pounds	Control of stray animals	YES		YES	
34	Public places	NONE	YES		Authority for the function but function not performed.	
35	Refuse removals, refuse dumps and solid waste	Control and Management of Refuse and Solid Waste	YES		YES	

	disposals					
36	Street trading	NONE	YES		Authority for the function but function not performed.	
37	Street lighting	Provide and maintain street lights	YES		YES	
38	Traffic and parking	Traffic Control	YES		YES	

Source: Municipal Demarcation Board Assessment of Capacity for 2012/2013 Period
Source: Interviews with Municipal Management

In table 15 below is a tabulation of additional functions performed by Mhlontlo Local Municipality and resource allocation for the additional functions. Process for the construction of offices for the disaster unit in Mhlontlo local Municipality are unfolding.

Table 15: Additional Functions Performed

Function	Resource Allocation		Assigned by
	Budget	Staff	
Library		2	O.R Tambo District Municipality
Disaster Management		3	O.R Tambo District Municipality

Table 16 below lists functions not performed by Mhlontlo Local Municipality as well as reason there off.

Table 16: Functions Not Performed by Mhlontlo Local Municipality

Authorised Function	Reason not performed	Opportunity to generate revenue
Child Care Facilities	Municipal capacity and lack of adequate infrastructure	Low
Fire-fighting services	Service offered by O.R. Tambo district municipality	Medium
Electricity and gas reticulation	Municipal capacity and lack of adequate infrastructure	High
Municipal airport	No service requirement	Not Applicable
Municipal health services	Municipal capacity	Low
Municipal public transport	Municipal capacity and lack of adequate infrastructure	High

Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	No service requirement	Not Applicable
Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	Service offered by the District Municipal. Capacity and lack of adequate infrastructure (District Municipality)	Medium
Beaches and amusement facilities	No service requirement	Not Applicable
Municipal abattoirs	Municipal capacity and lack of adequate infrastructure	Low

2.8.2 System of Delegation within Mhlontlo Local Municipality

The Republic of South African Constitution states that the Legislative and Executive Authority of a Municipality is vested in its Municipal Council. Section 156 and 229 of the Constitution stipulates the functions and powers assigned to Municipalities. However, it is impractical for a municipal council to exercise both its legislative and executive authority efficiently and effectively without a delegation framework.

Section 32(1) of the Structures Act and Section 59(1) of the Systems Act require a municipal council to develop a system of delegation that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with that system, council may delegate appropriate powers to any of the municipality's political structures, political office bearers, Councillors and staff members, instruct any such political structure, political office bearer, Councillor or staff member to perform any of the municipality's duties; and withdraw any delegation or instruction.

As Mhlontlo Local Municipality we have adopted a delegation framework but it needs to be reviewed by the current council and the development of the delegation register. The delegation framework clearly stipulates roles and responsibilities of the political office bearers, political structures, the municipal manager and the departmental managers. It indicates the delegated power, the limitations and conditions under which those powers have been delegated. Delegation framework further points out the circumstances and manner in which the delegated power may and can be reviewed and/or withdrawn.

The municipal delegation policy document has identified issues like skills shortage and staff shortages as hindering factors to effectively segregate duties and enable fully functioning committees. Capacity challenges have been cited as negatively impacting in program delivery. The only thing that has been addressed is the hiring of staff.

Attention is drawn to a legal requirement as per section 32 (1) of the Structures Act to review delegation allocated to committees when a new council is elected and Section 65 of the Systems Act who stipulates conditions under which delegated functions may be reviewed.

Priority in IDP	Progress
Formulation of the Human Resource Development Strategy	Human Resource Development Strategy has been developed and adopted by the council. The strategy also focuses on the recruitment of staff, staff retention and managing personnel related expenditure.
Employment Equity Plan and Work Place Skills Plan	EEP was developed and adopted by the council. EEP is in place and implemented all though there are challenges.
Critical appointment	90% achieved.
Development and review of policies	Some of the policies are in place and reviewed by the council.
Improve internal auditing function	Plans to have own internal committee unfolding but currently shared with the district

TABLE 17: Human Resource Policies

Policy & Procedures	Developed	Council Approved	Under Review	Fully Implemented	Need Review
Work organization & Organisational Structure	✓	✓		✓	
Recruitment Selection, Appointment, Probation, Promotion & Transfer	✓	✓		✓	
Working and Hours of Working	✓	✓		✓	
Benefits & Allowances Policy	✓	✓		✓	
Leave of absence policy	✓	✓		✓	
Employment relations	✓	✓		✓	
Miscellaneous provisions	✓	✓		✓	
Termination of Employment Policy	✓	✓		✓	
Disciplinary Code and Procedures	✓	✓		✓	
Acting Allowance Policy	✓	✓		✓	

Dress code, uniforms and Protective clothing policy	✓	✓		✓	
HIV and Aids Policy	✓	✓		✓	
Health & Safety Policy	✓	✓		✓	
Employee Assistance Policy	✓	✓		✓	
Sexual Harassment Policy	✓	✓		✓	
Declaration of Interest Policy	✓	✓		✓	
Remuneration policy	✓	✓		✓	
Promotion Policy	✓	✓		✓	
Municipal Housing Scheme/Assistance Policy	✓	✓		✓	
Telephone usage policy	✓	✓		✓	
Long service allowance policy	✓	✓		✓	
Policy on the implementation of new policy procedures	✓	✓		✓	
Subsistence & Travelling Policy	✓	✓		✓	
Internship Policy	✓	✓		✓	
Training & Development Policy	✓	✓		✓	
Policy on ward committees	✓	✓		✓	
Policy on the funeral of Councillors and Traditional Leaders	✓	✓		✓	
Customer care Policy	✓	✓		✓	
PMS Policy	✓	✓		✓	
Cellphone Policy	✓	✓		✓	
Pauper burial Policy	✓	✓		✓	
Pound Policy	✓	✓		✓	

2.8.3 Municipal Composition

Table 18 below is an illustrative summary of the Municipal Profile.

Table 18: Municipal Composition

Municipal Grade	Grade 3						
Wards	26						
Council	62 Councillors						
Gender, Race and Political Composition	Gender		Race	Amakhosi	Polical Diversity		
	Female	Male	Black	Traditional leaders	ANC	COPE	UDM
	22	30	62	10	48	1	3
Standing Committees	Committee			#	Chairperson/Head		
	Executive Committee			10	Mayor Councillor M.R. Giyose		
	LED & Rural Development				Councillor E. Pula		
	Infrastructure Development and Planning				Councillor X. Mpatane		
	Corporate Services				Councillor M. Mabono		
	Budget and Treasury Office				Councillor M. Jara		
	Community Services & disaster				Councillor N. Dywili		
	Sport				Councillor N. Magodla		
	Special Programmes Unit				Councillor N. Konza		
	Planning and human Settlement				Councillor N. Mtwazi		
Departments					Councillor Z. Nondaka		
	Municipal Manager Strategic Services Budget and Treasury Office Infrastructure Development and Planning Local Economic Development and Rural Development Corporate Services Community Services						

2.8.4 Staff Establishment

Staff establishment statistics confirm that significant progress has been made towards filling vacant posts. While insufficient funding continues to be a challenge; more than 71.6% of the posts have been filled. The Institution is planning to fill all the vacant position during the 2014/2015 and 2015/2016 financial years. **Table 19** below tabulates a summary of the staff complement.

Table 19: Staff Establishment

Number of Approved Posts in 2014/15	Total number currently employed	Number of vacancies	% Of filled Posts
292	209	83	28.4%

Table 20: Critical Vacant Posts

Department	Post	Current Situation
Infrastructure Development and Planning	Director	Funded
Budget and Treasury Office	CFO	Funded

The Mhlontlo Municipality organisational structure has been reviewed. The Critical positions are as mentioned in table 19 above. Supply Chain Management Unit, Communications Unit, the Institutional Social Development Unit and Internal Audit Unit have been established with limited personnel and are part of the organisational structure.

2.8.5 Management Profile

Table 21 below confirms that there are adequate human resources to deliver on municipal functions.

Table 21: Management Profiles

	Municipal Manager	Chief Financial Officer	Corporate Services manager	Technical Services Manager	LED Manager	Strategic Manager	Community Services
Current Position	MSA Section 54A	MSA Section 56 (Vacant)	MSA Section 56	MSA Section 56 (Vacant)	MSA Section 56	MSA Section 56	MSA Section 56
Qualifications	M Business Leadership		Hon. Political Science		Masters in SCM (Business Logistics)	MPA	Dip (Traffic)
Years of Local Government Experience	3		9		8	6	12
Years in current position	3		1		1	6	7

2.9 Good Governance and Community Participation Structures

In this section of the report, we reflect on structures in place to ensure effective public participation, accountability, and transparency.

2.9.1 Ward System

260 ward committee members have been established. Ward centres still have no resources or support to adequately plan, conduct and record ward committee meetings. The municipality has eight community centres used for ward meetings, where such infrastructure does not exist; local churches, Traditional Authorities or schools are used for ward committee meetings.

2.9.2 Council Meetings

Transparency is promoted through various means including council meetings advertised in the local news paper, website and opened to the public.

2.9.3 Public Participation

Community participation is conducted by the Office of the Mayor and Speaker through Mayoral Imbizo's, IDP Representative Forums, IDP Road Show and Ward committee meetings.

2.9.4 Corporate Governance

Audit Committee: The Audit Committee was appointed by the council and is fully functional. The Audit Committee framework was also approved by council with the terms of reference. Mhlontlo Local Municipality shares Internal Audit with the district municipality. The internal audit fully functional within Mhlontlo Local Municipality and compile report for the Municipal Manager and Audit Committee. It is ideal that the Institution should have its Internal Audit Committee.

Anti Corruption Policy: Lack of Risk management mechanisms and of anti-corruption mechanisms is still a challenge in our institution. This can be addressed if Mhlontlo can have its Internal Audit Committee.

2.9.5 Inter-governmental Structures

Regulation governing Intergovernmental Relation (IGR) requires the establishment of structures and mechanisms aimed at enabling integrated planning and management within the different spheres of government. In striving towards effective intergovernmental relations, the IGR Policy was developed and approved by the council with terms of reference and schedule of meetings for the year.

District IGR Forum: Political heads from the local municipalities, the district municipality and management of the sector departments constitute the district forum. The forum aims to provide political leadership in aligning planning, implementation and monitoring of government programs.

Municipal Manager's Forum: Senior managers under the leadership of the Municipal Manager from the local municipalities, the district municipality and managers from the sector departments constitute the municipal manager's forum. The forum aims to integrate and align implementation of government programs.

2.10 Financial Planning and Management

2.10.1 Valuation Roll

The Mhlontlo Local Municipality has conducted its general valuation during the 2008/2009 financial year. The valuation roll is fully implemented. The supplementary valuation has also been conducted and was lastly conducted during 2012/2013.

2.10.2 Financial policies

Mhlontlo Local Municipality is a small municipality operating with a limited revenue base. This section of the report gives a high level overview of the progress achieved towards improving the

financial viability of the municipality. Municipality has allocated resources towards ensuring that all policies critical to financial management have been developed. Table 22 below tabulates the status of financial policies.

Table 22: Status of Financial Policies

Policy & Procedures	Developed	Council Approved	Under Review	Fully Implemented	Need Review
Budget Preparation Policy	✓	✓		✓	
Asset Management	✓	✓		✓	
Irregular, Un-authorised & Wasteful expenditure	✓	✓		✓	
Supply Chain Management Policy	✓	✓		✓	
Banking & Investment Policy	✓	✓		✓	
Credit Control & Debt Collection	✓	✓		✓	
Indigent Policy	✓	✓		✓	
Property rate Policy	✓	✓		✓	
Fleet Management Policy	✓	✓		✓	
Risk Management Policy	✓	✓		✓	

Priority in IDP	Progress
Develop, Review and Implement priority policies and By-laws	All outstanding policies have been developed. By-laws approved and are implemented.
Improve Municipal Asset Management	Asset management policy is in place and is being implemented. Compliant property register has been developed.
Improve revenue collection, starting with better debt collection	By-laws that will improve debt collection have been approved. Complete operation of DLTC and Vehicle licensing
Issues Raised by Auditor General	The municipality has prioritised addressing issues raised by the Auditor General. Auditor General has issued qualified opinion on the financial statements and there are those that are linked to the issues raised in the previous audit report.
Performance Management Framework	Municipality plans to prioritise the review of the balance scorecards and the municipal performance management framework.

2.10.3 Municipal Funding

The municipality has a limited revenue base in terms of size and our ability to innovatively generate revenue is further constrained by our social and economic situation. While we constantly strive to maintain a balanced budget by ensuring that our income covers our expenditure; challenges remain. As indicated **Table 23** below.

Table 23: Income Sources (2013)

INCOME	Actual	% Of income	Actual	% Of income
	2013	in 2013	2012	in 2012
Grants and Subsidies				
Central Government	134 393 825.00	90.58	118 791 000.00	81.91
Provincial Government	271 900.00	0.18	1 144 857.00	0.78
District			705 092.00	0.48
Operating Income				
Assessment Rates	7 269 648.00	4.9	6 227 999.00	4.29
Refuse Removal	565 712.00	0.38	188 057.00	0.16
Other Income	5 872 144.00	3.96	17 959 964.00	12.38
	148 373 229.00	100.00	145 016 969.00	100.00

2.10.4 Municipal Budgeting Frame work

Municipality Activity	Accountability	Target Date
Budget implementation	AO, CFO & HOD's	1st Jul
Mayor begins planning for next three-year budget in accordance IDP Mayor tables in Council the schedule of budget key deadlines setting the time table for: preparing, tabling and approving the budget; developing IDP (as per s 34 of MSA) and budget related policies and consultation processes. MFMA s 21,22, 23; MSA s 34, Ch 4 as amended Council establishes IDP and budget committees for the process	Mayor – s53 MFMA AO, CFO & HOD's- s68, 77 MFMA AO, CFO & HOD's- s76- 81 MSA	31 st Sep
Municipality review options and contracts for service delivery Council through the IDP development process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and	Mayor	31 st Sep

national government sector and strategic plans.	AO, CFO & HOD's	
Council engages on consultative processes for IDP development Council reviews budget plans to be national policies potential price increases of bulk resources	AO, CFO & HOD's- MFMA s 35, 36, 42; MTBPS	30th Nov
IDP development processes continue	Mayor AO, CFO & HOD's	30th Nov 2012
Council considers tariff (rates and service charges) policies for next financial year MSA s 74, 75 Mayor tables MFMA s72 report to justify necessity for municipal adjustments budget, resolutions, plans, and proposed revisions to IDP		
	Mayor AO, CFO & HOD's	29th Jan 2013
Council considers approval and adoption of adjustments budget and reviewed SDBIP's	Mayor AO, CFO & HOD's	29th Jan 2013

Council budget committees consider initial budget drafts	Mayor AO, CFO & HOD's	26th Feb 2013
Council adopts tabled draft budget on before 31 st March 2012	Mayor AO, CFO	31 st Mar 2013
Community participation process and input soliciting and interaction on the budget EXCO and budget committees to deal with inputs from consultation process	Mayor AO, CFO	30th Apr 2013
Council considers views of the local community, NT, PT, other provincial and national organs of state and neighbouring municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget, related policies and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended	Mayor AO, CFO	31 st May 2013
Mayor must consider for approval SDBIP and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP	Mayor AO, CFO	30th Jun 2013

and performance agreements to council, MEC for local government and makes public within 14 days after approval. MFMA s 53; MSA s 38-45, 57(2) Council must finalise a system of delegations. MFMA s 59, 79, 82; MSA s 59-65		
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2.10.5 Expenditure

(a) Operating Expenditure

Expenditure for salaries, wages and allowances (see Table 24) see has increased as a result of the posts filled including the critical posts identified in the last IDP. Two PMU managers have been employed and critical posts within the department of finance have been filled.

Since the implementation of the reviewed expenditure controls and expenditure monitoring mechanisms, general expenditure has decreased. Focus on decreasing general expenditure has been on telephone expenditure, subsistence and travel related costs and costs associated with attending trainings.

Table 24: Operating Expenditure (2011-2012)

EXPENDITURE	Actual 2013	Actual 2012
<i>Salaries, wages and allowances</i>	64 623 142.00	47 836 268.00
<i>General Expenses</i>	69 914 294.00	40 747 933.00
<i>Repairs and Maintenance</i>	2 423 128.00	3 239 945.00
Total	136 960 564.00	91 824 146.00

(b) Capital Expenditure

In line with our priorities, In the 2012/2013 financial year, we spent (R20.55m) on capital expenditure and on 2011/2012 the municipality has spent R36.53m on capital expenditure.

Table 25: Analysis of Capital Expenditure

Capital expenditure category	Actual	Actual
	2013	2012
INFRASTRUCTURE		
Roads, Pavemnets, Bridges & Storm	17 422 761	22 869 169

water.		
Water Reservoirs & Reticulation	-	-
Car Parks, Bus Terminals and Taxi Ranks	-	-
Electricity Reticulation	-	-
Sewerage Purification & Reticulation	-	-
Housing	-	-
Street Lighting	-	-
Refuse sites	-	2 857 403
Gas	-	-
Other	-	-
Sub-total Infrastructure	17 422 761	25 726 572
COMMUNITY		
Establishment of Parks & Gardens	-	-
Sports fields	-	-
Community Halls	1 897 648	-
Libraries	-	-
Recreational Facilities	-	-
Clinics	-	-
Museums & Art Galleries	-	-
Other	207 119	-
Sub-total Community	2 104 767	-
HERITAGE ASSETS		
Heritage Assets	-	-
Sub-total Heritage Assets	-	-
INVESTMENT PROPERTIES		
Investment Properties	-	-
Sub-total Investment Properties	-	-
OTHER ASSETS		

Other motor vehicles	462 966	-
Plant & equipment	9 734	-
Office equipment	8 400	-
Abattoirs	-	-
Markets	-	-
Airports	-	-
Security Measures	-	-
Civic Land and Buildings	-	-
Other Land and Buildings	59 998	354 396
Other	44 800	10 459 009
Sub-total Other Assets	585 898	10 813 406
SPECIALISED VEHICLES		-
Refuse	-	-
Fire	-	-
Conservancy	-	-
Ambulances	-	-
Buses	-	-
Sub-total Specialised Vehicles	-	-
AGRICULTURAL ASSETS	-	-
Agricultural Assets	-	-
Sub-total Agricultural Assets	-	-
BIOLOGICAL ASSETS	-	-
Biological Assets	-	-
Sub-total Biological Assets	-	-
INTANGIBLES	-	-
Intangibles	440 780	-
Sub-total Intangibles	440 780	-
TOTAL	20 554 205	36 539 977

2.10.6 Fiscal Oversight and Control

(i) Internal Audit function

Mhlontlo Local Municipality shares Internal Audit with the district municipality. The internal audit has been functional within Mhlontlo Local Municipality. Internal audit processes and/or reports from this section were available on quarterly basis. It improve internal controls and successfully address issues raised by the auditor general's.

Auditor General's Findings

Financial year	Audit Opinion Issued
2010/2011	Qualified
2011/2012	Qualified
2012/2013	Adverse

Auditors had issued adverse opinion on the financial statements submitted for the financial year ended June 2013 citing, among others the following:

1. Property Plant and Equipment
2. Investment property
3. Revenue
4. Irregular expenditure
5. Cash flow statement
6. Budget preparation
7. Contingent liabilities
8. Unauthorised expenditure
9. Operating expenditure
10. Value added tax
11. Provisions
12. Employee costs
13. Other corresponding figures
14. Aggregation of immaterial uncorrected misstatements
15. Mandatory disclosures

16. Usefulness of information
17. Reliability of information
18. Strategic planning and performance
19. Budget
20. Annual report and annual financial statement s
21. Audit committee
22. Expenditure management
23. Conditional grants received
24. Revenue management
25. Asset management
26. Liability Management
27. HR Compliance
28. Supply chain management
29. Internal control
30. Leadership
31. Financial and performance management
32. Governance.

The Mhlontlo Local Municipal management has developed an audit action plan to address the issues raised by the auditor general.

AUDIT ACTION PLAN

KPA	AG FINDINGS	REFERENCE TO AUDIT REPORT	ROOT CAUSES	ACTION TO RESOLVE	ACTION ALREADY TAKEN	RESPONSIBLE PERSONNEL	TIMELINES
Property, plant and equipment	PPE and accumulated surplus as disclosed in the financial statements are overstated by R1 347 534	6	Lack of Monitoring and Reviewal of the work performed by the service provider Non Reconciliation of Asset Register and the AFS Non reconciliation of Asset Register against physical verification of assets	High Level Reviews of the work of the Service Provider Reconciliation of Asset Register, the Trial Balance and the AFS notes. Reconciliation of Asset Register against physical verification of assets	None	Chief Financial Officer	March 2014
	Unable to obtain sufficient appropriate audit evidence for both the current and prior year PPE balances as documentation in support of prior period corrections, the calculation of the cost prices of land and buildings or for the landfill site provision and associated asset was not available	7	Insufficient utilization of the document management system Lack of Monitoring and Reviewal of the work performed by the service provider	Prepare Accounting File with Adjustment Journals for Prior year period PPE Balances Prepare a working paper file with all calculations pertaining to Asset Valuation by Durchame	None	Chief Financial Officer	March 2014
	Lease agreements to support finance lease assets were not available for the Audit	7	Lack of supervision Lack of understanding the requirements of adequate supporting documentation for lease register	Preparation and Reviewal of the Lease Register. Attach All Lease agreements to leases that recorded on the lease register	None	Chief Financial Officer	March 2014
	Unable to determine the necessity for adjustment in the AFS to PPE of R99 017 815(2012: R113 617 437) as disclosed in note 2.1	7	Lack of Monitoring and Reviewal of the work performed by the service provider	Investigate whether it is still necessary to adjust the PPE amount in the AFS	None	Chief Financial Officer	March 2014
KPA	AG FINDINGS	REFERENCE TO AUDIT REPORT	ROOT CAUSES	ACTION TO RESOLVE	ACTION ALREADY TAKEN	RESPONSIBLE PERSONNEL	TIMELINES
Investment property	Investment Property was valued a fair value instead of	8	Lack of Monitoring and review of the	Review and Update the Investment Property	None	Chief Financial	March 2014

	the adopted cost model for investment property		work performed by the service provider	Policy to talk to the current method of valuation of assets		Officer	
Investment property	The municipality did not retrospectively restate its comparative amount for previous unidentified investment property that was transferred to PPE	8	Lack of understanding of the GRAP Statements	Prepare an working paper file with the retrospective calculation of the comparative figure of Investment Property amount	None	Chief Financial Officer	March 2014
	The PPE amount in the AFS and the Accumulated Surplus was understated by R1 420 000 when compared to supporting documents	8	Lack of Monitoring and review of the work performed by the service provider	Reconcile the PPE amount in the AFS against the Revised Investment Property Amount	None	Chief Financial Officer	March 2014
	Comparative figure was understated by R5 675 436	8	Lack of Monitoring and review of the work performed by the service provider	Prepare Journal to correct the understatement	None	Chief Financial Officer	March 2014
Revenue	The amount disclosed in grant revenue was understated by R8 635 289	9	Lack of understanding of the GRAP Statements	Transfer the Expenditure incurred in 2012/13 on grants to grants revenue	None	Chief Financial Officer	March 2014
	Unspent conditional grant overstated by R3 705 589	9	Lack of Monitoring and review of the work performed by the service provider	Prepare journal debiting Unspent Conditional Grant and crediting the Equitable Share grant income by R3 705 589 update the disclosure in the prior year error adjustment to reflect the adjusted 2012 comparative figure	None	Chief Financial Officer	March 2014
	Accumulated Surplus overstated by R4 929 700	9	Lack of Monitoring and review of the work performed by the service provider	Prepare a journal to correct the overstatement in the Accumulated Surplus	None	Chief Financial Officer	March 2014
Irregular expenditure	The municipality did not have adequate system in place to identify irregular expenditure	10	Lack of understanding of the concept of irregular, unauthorised and wasteful expenditure also what should be recognized in the irregular, unauthorised and wasteful expenditure registers	Development and implementation the irregular, unauthorised and wasteful expenditure policy and procedures Monthly updating of the irregular, unauthorised and wasteful expenditure registers	None	Chief Financial Officer	March 2014
	Irregular expenditure is understated by R52 049 995(2012: R1 700 00)	10	Lack of understanding of the concept of irregular, unauthorised and wasteful expenditure	Prepare a report to the council on the irregular Expenditure incurred during 2012/13 financial year	None	Chief Financial Officer	March 2014

				Update the irregular expenditure register and present to the council for approval.			
KPA	AG FINDINGS	REFERENCE TO AUDIT REPORT	ROOT CAUSES	ACTION TO RESOLVE	ACTION ALREADY TAKEN	RESPONSIBLE PERSONNEL	TIMELINES
Cash flow statement	Cash Generated from transactions in note 40 did not reconcile to the Cash Flow Statement calculation error of R24 221 868	11	Lack of Monitoring and review of the work performed by the service provider	Reconcile the Cash Flow Statement with note 40 Conduct a high level Review of the Cash Flow Statement with the relevant (in the Quarterly AFS)	None	Chief Financial Officer	March 2014
	Cash Flow Statement did not reflect the purchase of intangible assets	11	Lack of Monitoring and review of the work performed by the service provider	Reconcile the Cash Flow Statement with Asset Register and note 2.5	None	Chief Financial Officer	March 2014
	Prior period amounts that are disclosed in the cash flow statement do not have supporting documents	12	Lack of supervision on the record keeping of the supporting documents	Prepare Accounting File with Prior period adjustments journals	None	Chief Financial Officer	March 2014
	Prior period amount that are disclosed in the Cash Flow Statement do not appear in the note 29 of the AFS	12	Lack of Monitoring and review of the work performed by the service provider	Reconcile the Cash Flow Statement with the note 29 of the AFS Add the prior period amounts to the Cash Flow Statement	None	Chief Financial Officer	March 2014
Budget presentation	Expenditure in the Statement of Financial Performance exceeded the Statement of Comparison of Budget & Actual amounts by R1 228 204	13	Lack of Monitoring and review of the work performed by the service provider	Reconcile the Statement of Financial Performance against the Statement of Budget and Actuals	None	Chief Financial Officer	March 2014
	Capital Expenditure in the statement of comparison of budget & actual amounts exceeded the capital additions included in note 2.1 and 2.5 in the AFS by R4 115 581	13	Lack of Monitoring and review of the work performed by the service provider	Reconcile the Capital Expenditure in the statement of comparison of budget & actual against the Asset Register Additions and also against the note 2.1 and note 2.5	None	Chief Financial Officer	March 2014
	No supporting documents for amounts included in the statement of comparison of budget & actual amounts in	14	Lack of supervision on the record keeping of the supporting documents	Prepare an accounting file for supporting documents for budget & actual amounts in the	None	Chief Financial Officer	March 2014

	the AFS			AFS			
	Unable to determine the necessity for the adjustment to the Statement of Comparison of Budget and Actual amounts in the AFS	14	Lack of supervision on the record keeping of the supporting documents	Investigate whether it is still necessary to adjust the Statement of Comparison of Budget and Actual amounts in the AFS	None	Chief Financial Officer	March 2014
Contingent liabilities	No disclosure of contingent liability for the dispute declared by unions and the pending litigation with regard to SALGA Wage Curve agreement of April 2010	15	Lack of supervision on the record keeping of the supporting documents	Develop and Implement the Contingent Liability Policy and procedures Update the AFS 2012/13 with the disclosure of contingent liability for the dispute declared by unions (14th cheque)	None	Chief Financial Officer	March 2014
Unauthorised expenditure	Unauthorised Expenditure have been overstated by R1 623 176 and irregular expenditure has been understated by the same amount	16	Lack of Monitoring and review of the work performed by the service provider	Update the note 30.1 and note 30.3	None	Chief Financial Officer	March 2014
KPA	AG FINDINGS	REFERENCE TO AUDIT REPORT	ROOT CAUSES	ACTION TO RESOLVE	ACTION ALREADY TAKEN	RESPONSIBLE PERSONNEL	TIMELINES
Unauthorised expenditure	The municipality did not provide detailed comparison of actual spending compared to budget by vote	17	Lack of Monitoring and review of the work performed by the service provider	Prepare an accounting file with the Detailed comparison of actual spending compared to budget by vote	None	Chief Financial Officer	March 2014
	Unable to verify the necessity of adjustment of R38 110 305(2012: R16 618 555) in the Financial Statements because no information was provided for prior year error adjustment	17	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust the Financial Statements with the prior year error adjustment amounts	None	Chief Financial Officer	March 2014
Operating expenditure	Understatement of operating expenditure in the AFS with the amount of R673 785	18	Lack of Monitoring and review of the work performed by the service provider	Prepare the journal to correct the error in the operating expenditure Active and Fully utilise the document management system in Promun to store the supporting documents for each transaction	None	Chief Financial Officer	March 2014
	The municipality did not provide sufficient support	18	Lack of Monitoring and review of the	Appoint a dedicated Audit Controller to ensure that	None	Chief Financial	March 2014

	expenditure transactions recorded		work performed by the service provider	documentation requested for audit are provide on time Prepare an accounting file containing all journals pertaining to prior period error adjustments		Officer	
	Unable to verify the necessity of adjustment of R72 337 422(2012: R74 648 111)	18	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust the Financial Statements with R72 337 422(2012: R74 648 111	None	Chief Financial Officer	March 2014
Value Added Tax	Unreconciled difference in Valued Added Tax(VAT) of R2 758 830 between the statement of South Revenue Services (SARS) nd the records of the municipality	19	Lack of Monitoring and review of the work performed by the service provider	Prepare the Accounting File with the Reconciliation of VAT and supporting documents pertaining to the reconciliation	None	Chief Financial Officer	March 2014
	Unable to determine the necessity of adjustment to VAT receivable stated at R5 080 473 (2012: R10 114 072) in note 5.1 AFS	19	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust VAT in the Financial Statements 2012/13	None	Chief Financial Officer	March 2014
Provisions	Non-disclosure in the AFS of provision for long service awards as required by IAS 19	20	Lack of Monitoring and review of the work performed by the service provider	Update the AFS 2012/13 with the provision for long service awards disclosure	None	Chief Financial Officer and Director Corporate Services	March 2014
	Inadequate audit evidence to support the amount disclosed in the AFS as the provision for landfill sites	21	Lack of Monitoring and review of the work performed by the service provider	Prepare an accounting file with the supporting documents of the provision for landfill sites	None	Chief Financial Officer	March 2014
	Unable to determine the necessity for the adjustment to provisions stated at R5 031 690(2012: R4 212 131) in note 41	21	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust the Provisions in the AFS 2012/13	None	Chief Financial Officer	March 2014
KPA	AG FINDINGS	REFER ENCE TO AUDIT REPOR T	ROOT CAUSES	ACTION TO RESOLVE	ACTION ALREADY TAKEN	RESPONSI BLE PERSONN EL	TIMELINES
Employee Costs	Understatement in the AFS of allowances paid to the value of R1 140 012	22	Lack of Monitoring and review of the work performed by the service provider	Prepare the Accounting File with the All the Allowances paid to employees and its supporting documents	None	Chief Financial Officer	March 2014
	Unable to determine the necessity for the adjustment	22	Lack of Monitoring and review of the	Investigate whether it is still necessary to adjust	None	Chief Financial	March 2014

	in the AFS of R8 488 999 (2012: R5 116 459) in note 17		work performed by the service provider	the AFS		Officer	
Other corresponding figures	Inadequate audit evidence regarding the leave accrual, irregular expenditure, receivables from exchange and non-exchange transactions and VAT	23	Lack of Monitoring and review of the work performed by the service provider	Prepare Accounting File with supporting documents for leave accrual, irregular expenditure, receivables from exchange and non-exchange transactions and VAT	None	Chief Financial Officer	March 2014
	Unable to determine the necessity for the adjustment in the AFS adjustment to the leave accrual included in payable of exchange transactions of R6 151 902 per note 10.1	23	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust the AFS	None	Chief Financial Officer and the Corporate Services Director	March 2014
	Unable to determine the necessity for the adjustment in the AFS receivables from exchange and non-exchange transactions as disclosed in notes 3, 4 and 6 totaling R1 210 282	23	Lack of Monitoring and review of the work performed by the service provider	Investigate whether it is still necessary to adjust the AFS	None	Chief Financial Officer	March 2014
Aggregation of immaterial uncorrected misstatements	Councillor remuneration as disclosed in note 18 is overstated by R1 055 161	24	Lack of Monitoring and review of the work performed by the service provider	Prepare the Accounting File with the journals correcting the overstatement of councillor remuneration in note 18 in the AFS	None	Chief Financial Officer and the Corporate Services Director	March 2014
	Trade receivables as disclosed in notes 4 and 6 to the financial statements are understated by R402 449	24	Lack of Monitoring and review of the work performed by the service provider	Prepare the Accounting File with the journals correcting the understated of Trade Receivables in the AFS	None	Chief Financial Officer	March 2014
	Trade payables as disclosed in note 10 are understated by R1 250 609 (2012: R1 085 601).	24	Lack of Monitoring and review of the work performed by the service provider	Prepare the Accounting File with the journals correcting the understated of Trade Payables in the AFS	None	Chief Financial Officer	March 2014
Mandatory disclosures	The municipality did not disclose the following mandatory disclosures as required by section 125 of the MFMA: Amounts paid during the year and owing at year end for medical aid, pension, PAYE and UIF	25	Lack of Monitoring and review of the work performed by the service provider	Prepare an annual payroll report on Contributions Paid for 2012/13. Update the AFS by Disclosing in the notes the Expenditure on the Contribution paid during the financial year 2012/13	None	Chief Financial Officer and the Corporate Services Director	March 2014

Section 46 Report	Measures to improve performance per total of 100% of the planned targets not achieved were not reflected in the annual performance report.	31	Lack of adequate review process of the presentation of annual performance report by management	To ensure that in next annual performance report measures to be taken where targets not achieved will be reflected.	None	Strategic Manager	31 July 2014
Inconsistency in reporting	A total of 24% objectives, 34% indicators, 62% targets reported were not consistent with the IDP	32	Lack of an adequate performance management system & monitoring & evaluation	To ensure that the reported objectives, targets & indicators for the next annual performance report are consistent with the IDP	None	Strategic Manager	31 July 2014
Specific, time bound targets	A total of 45% targets were not specific, 48% targets could not be measured, 45% targets were not time bound	33	Lack of review of performance targets	During the IDP Strategic Planning Session, the set targets will be reviewed to be specific, measurable and time bound.	Action already taken	Strategic Manager	31 January 2014
Indicators were not verifiable	A total of 41% of the indicators were not well defined in addition 100% of the indicators were not verified.	34	Lack of implementation of Performance Management Systems	Implementation of performance Management System	PMS framework and draft policy in place	Strategic Manager	30 June 2014
Reliability of information	Infrastructure Development and Planning(IDAP) information presented to AG was not reliable	35	Lack of Information Systems	Create Portfolio of Evidence (POE) file for every department	None	All HOD's	31 March 2014
Strategic Planning and Performance	Failure to consult communities in the implementation of the Integrated Development Plan(IDP)	37	Lack of Community Participation	Convene Integrated development Plan(IDP) Rep Forums and IDP and Budget Road Shows	IDP Rep Forum convened on the 5 th of February 2014	Strategic Manager	31 March 2014
	Failure to review IDP in line with Section 41 of the Systems Act	38	Failure to comply with legislation	Review IDP for 2014/15	In Progress	Strategic Manager	31 May 2014
	Performance Management System(PMS) does not provide steps to be taken to improve poor performance	39	Gaps in the Performance Management Framework	Amendment of the PMS Framework	In Progress	Strategic Manager	31 March 2014
	Mechanisms to monitor and review PMS	40	Unavailability of structures to monitor performance	Establishment of PMS structures	None	Strategic Manager	31 March 2014
	Non- Approval of reviewed Service Delivery and Budget Implementation Plan(SDBIP)	41	Non- Compliance with legislation	Tabling of reviewed SDBIP to Council	In Progress	Strategic Manager	28 February 2014
	Failure to assess performance by 25 January 2013 (Mid-Year)	42	Non-Compliance with Legislation	Assessment of performance by 25 January 2014	Done	Municipal Manager	24 January 2014
	Internal Audit did not Audit the results of performance	43	Non- Compliance with	Recruitment of Staff for	In	Municipal	28 February

	measurements		legislation	the Internal Audit Unit	Progress	Manager	2014
	Annual Performance report does not include performance of external Service Providers	44	Non- Compliance with legislation	Assessment of performance of external Service providers	None	Municipal Manager	30 June 2014
	In-adequate Internal controls	45	Non-Compliance with legislation	Improve internal controls	Policies have been developed and reviewed	Municipal Manager	28 February 2014
Budget	Expenditure was incurred not in terms of the approved budget	46	Non- Compliance with Legislation	Monitor spending to be in line with the approved budget	In Progress	Chief Financial Officer	Monthly
	Quarterly Reports not submitted within 30 days after the end of the quarter	47	Non- Compliance with legislation	Submission of Section 52 (d) report to Council	In Progress	Chief Financial Officer	Quarterly
	Adjustment Budget for 2012/13 was not approved by the Council	48	Non- Compliance with legislation	Submission of adjustment budget to the Council	Done	Chief Financial Officer	24 January 2014
	Non-submission of monthly budget statement to the Mayor	49	Non- Compliance with legislation	Submission of Section 71 report to the Mayor	Done	Chief Financial Officer	Monthly
Annual Report and Annual Financial Statements	Financial Statements were not prepared in terms in Section 122 of the MFMA	50	Non- Compliance with legislation	Appoint professional service provider	None	Chief Financial Officer	30 April 2014
	The Accounting Officer did not publicise the Council's oversight report on the 2011/12 Annual Report	51	Non-Compliance with legislation	To publicise oversight report on Annual report for 2012/13	None	Municipal Manager	30 April 2014
	No sufficient appropriate Audit evidence obtained to prove that the 2011/12 Annual Report was publicised	52	Non- Compliance with legislation	To publicise annual report for 2012/13	None	Municipal Manager	28 February 2014
	No sufficient appropriate evidence obtained to confirm that the Council adopted the oversight report for Annual report for 2011/12	53	Non- compliance with legislation	Council to adopt oversight report on the annual report for 2012/13	None	Council	31 March 2014
Audit Committee	Audit Performance not in place and no evidence could be found that the Audit Committee was used to fulfil the function of the performance Audit Committee function	54	Non-Compliance with legislation	Ammended audit charter to be taken to the council	None	Municipal Charter	31 March 2014
	Audit Committee did not adequately advise the Council, the Accounting Officer & the management staff on matters relating to adequacy, reliability & accuracy of financial	55	Non-Compliance with legislation	Management to address audit committee issues	None	Municipal Manager	30 April 2014

	reporting & information						
	Audit Committee did not review annual financial statements	56	Non-Compliance with legislation	Management to come up with plan for development of financial statements and its implementation	None	CFO	30 August 2014
Expenditure Management	Accounting Officer failed to prevent unauthorised, irregular as well fruitless & wasteful expenditure	57	Non-Compliance with legislation	To effect internal control measures to prevent unauthorised, irregular as well as fruitless & wasteful expenditure	Policy in place	Municipal Manager	On-going
Conditional Grants received	Non-submission of quarterly performance reports to the transferring national office	58	Non-Compliance with legislation	Submission of quarterly performance reports on grants received	In progress	Municipal Manager	Quarterly
	Failure to evaluate performance in respect of programmes funded by National Treasury	59	Non-Compliance with legislation	Evaluation of performance in respect of programs funded by National Treasury	None	Chief Finance Officer	Monthly
	No audit evidence obtained to prove that the municipality submitted project registration forms to Local Government	60	Non-Compliance with legislation	Submission of project registration forms to Local Government & keep evidence	None	Director Technical Department	Annually
	No audit evidence obtained to prove that the municipality submitted project implementation plans to CoGTA	61	Non-Compliance with legislation	Submission of project implementation plans to CoGTA & keep evidence	None	Director Technical Department	Annually
	No Audit evidence obtained as to whether the Municipality submitted evaluation of its performance in respect of funded programmes to the Transferring National Office	62	Non-Compliance with legislation	Submission of performance evaluation in respect of funded programmes to National Transfer Office	None	Director Technical Department	Annually
	No Audit evidence obtained as to whether the Municipality registered its master plans for bulk infrastructure	63	Non- compliance with legislation	Submission of master plans for bulk infrastructure	None	Director Technical Department	Annually
Revenue Management	No Audit evidence was obtained as to whether revenue received was reconciled on a weekly basis	64	Non-Compliance with legislation	Reconciliation to be done weekly	None	Chief Financial Officer	Weekly
Asset Management	No Audit evidence was obtained as to whether the Accounting officer submitted a report to the Mayor within ten (10) days report describing the Investment Portfolio	65	Non- Compliance with Legislation	Submission of Investment Portfolio	None	Municipal Manager	Monthly
Liability Management	Management, Accounting and information system which adequately accounts	66	Non-Compliance with legislation	Contract Management Module to be added to Accounting system of the	None	Chief Financial	31 May 2014

	for liabilities was not in place			Municipality		Officer	
Human Resources Compliance	No Audit evidence was obtained as to whether appointments that were made were according to the approved staff establishment (Organogram)	67	Non-compliance with legislation	Appointments to be done according to the approved staff establishment (Organogram)	In Progress	Director Human Resources	30 June 2014
	The competencies of Financial and Supply Chain Officials were not assessed promptly	68	Non-Compliance with Legislation	Assessment of Competencies of Financial and Supply Chain officials	None	Director Human Resources	31 March 2014
	Non-Submission of compliance report with prescribed competence levels to National Treasury	69	Non- Compliance with legislation	Submission of Compliance report to National Treasury	None	Director Human Resources	30 June 2014
	The Annual Report did not reflect information on compliance with prescribed minimum competencies	70	Non- Compliance with legislation	Inclusion of CPMD trainings in the Annual Report for 2012/13	In Progress	Director Human Resources	31 March 2014
Supply Chain Management	Goods and services with a transaction value below R200000 were procured without obtaining the required price quotations	71	Non- Compliance with SCM regulations	Procure Goods and services in line with SCM regulations	In Progress	Chief Financial Officer	Monthly
	Goods and Service with a transaction value above R200 000 were procured without inviting competitive bids	72	Non Compliance with SCM regulations	Procure goods and services in line with SCM regulations	In Progress	Chief Financial officer	Monthly
	No audit evidence could be obtained that bid specifications for procurement of Goods and Services through competitive bids were drafted in an unbiased manner	73	Non-Compliance with SCM regulations	To compile Bid Specifications in unbiased manner and keep evidence	In Progress	Chief Financial Officer	Monthly
	No audit evidence could be obtained that Bid Specifications were drafted by Bid Specification Committees which were composed of one or more officials of the Municipality	74	Non-Compliance with SCM regulations	Keep record of appointment letters of Bid Specification members and provide evidence to Auditor General	In Progress	Chief Financial Officer	Monthly
	No sufficient evidence could be obtained that Bids were evaluated by Bid Evaluation Committees which were composed of officials from the departments requiring goods and services	75	Non-Compliance with SCM regulations	Keep record of members in Bid Evaluation Committees and submit evidence to Auditor General	In progress	Chief Financial Officer	Monthly
	No sufficient evidence could be obtained that Bid Adjudication was always done by committees that were composed in accordance with SCM	76	None -Compliance	Keep record of Bid Adjudication Members Appointed and provide evidence to Auditor General	In Progress	Chief Financial Officer	Monthly

	regulations						
	Contracts and Quotations were awarded to bidders that did not score the highest points	77	Non- Compliance	Award Contracts and Quotation in line with SCM regulations	In Progress	Chief Financial Officer	Monthly
	Preference point system was not applied in all procurement of goods and services above R 30 000	78	Non- Compliance	Preference points must be applied in line with SCM regulations	In Progress	Chief Financial Officer	Monthly
	Contracts and Quotations were awarded to bidders that did not score the highest points in the evaluation process	79	Non- Compliance	Award contracts and quotations with SCM regulations	In Progress	Chief Financial Officer	Monthly
	Construction contracts were awarded to construction companies that did not qualify for the contract	80	Non-Compliance	Award contracts according to SCM regulations	In Progress	Chief Financial Officer	Monthly
	No audit evidence could be obtained that contracts and quotations were awarded to contractors whose tax matters are in good standing	81	Non- Compliance	Award tenders to contractors with valid Tax Clearance Certificates	In Progress	Chief Financial Officer	Monthly
	Awards were made to Service providers who were in service of the State	82	Non- Compliance	Verify Directors of companies before tenders are awarded	In progress	Chief Financial Officer	Monthly
Internal Controls	Lack of Stability in leadership and sufficient staffing	84	Inability to provide leadership	To ensure stability in leadership and appointment of senior managers	In Progress	Municipal Manager and Council	On-going
	Leadership has failed to perform regular oversight over reporting and did not adequately monitor the Audit Action Plan	85	Lack of oversight and monitoring by leadership	To continuously play oversight on reporting and monitor Audit Action Plan for 2012/13 financial year	In progress	Municipal Manager	On-going
	Management has failed to establish and communicate policies and procedures to staff	86	Failure to communicate policies and procedures	To organize policy induction workshops for all staff members	None	Director Human Resources	31 March 2014
Financial and Performance Management	The Municipality did not have staff with sufficient knowledge of the full financial reporting requirements	87	Lack of training	Training and capacity building of finance staff	In progress	Director Human Resources	30 June 2014
	A proper system of record management was not adequately maintained and monitored	88	Lack of Monitoring	Improve record management systems	In Progress	Chief Financial Officer	On-going
	Management have not performed adequate and timely review of daily and monthly activities including review of reconciliations	89	Lack of Monitoring of daily activities	Improve in internal monitoring mechanisms	In progress	Municipal Manager and Section 56	On-going

						Managers	
	Management has not prepared regular, accurate and complete financial performance reports that are supported by reliable information	90	Lack of Monitoring	Improve in internal monitoring Mechanisms	In progress	Municipal manager and section 56 managers	On-going
	Management has failed to implement and apply adequate performance and consequence management procedures to ensure staff accountability for poor performance	91	Non- implementation of PMS	Implementation of PMS	None	Director Human Resources	30 June 2014
Governance	Management has not adequately utilised governance structures available to them and failed to empower their governance structures	92	Failure to effectively utilise governance structures	Effective utilization of the Audit Committee and other Governance Structures	In progress	Municipal Manager	On-going

2.11 Local Economic Development and Rural Development

2.11.1 Local Economic Development

2.11.2 Development Corridors

With regards to the development corridors; whilst they are strongly influenced by access to, and key roads, they can be defined as areas of greatest activity that should be managed in a particular long term planning manner to catalyse social and economic development as growth anchors. They have major implications in terms of zones of activity be it:

- a) Hazards and risk factors
- b) Potential revenue
- c) Potential businesses and investment potential
- d) Potential development
- e) Potential contributory capacity in terms of economies of scope and scale

In most municipalities and from a planning perspective, there are generally two levels of development corridors. These are secondary and primary corridors based on the extent and magnitude of socio – economic and development impact. In the case of Mhlontlo, the two urban spaces linked to Tsolo junction and Elangeni will be considered primary corridors to some extent including the corridor linking neighbouring towns such as Mthatha, Maclear and Mt Frere through N2 whilst the road network linking Tsista Falls, Tina Falls and or Selunkama to Caba or St Cuthbert’s to Tsolo will be considered secondary corridors.

2.11.3 Development nodes

On the other hand, development nodes are the main centres, which are being fed by development corridors in terms of traffic flow, people and physical thresholds. Development nodes are important points providing concentration of different social, services and economic activities. Development nodes can be used to concentrate activities, which could have a multiplier effect to a broader municipal area. Accordingly, Mhlontlo plans to use nodes such as Qumbu and Tsolo urban centres as growth poles to anchor future growth. Some work has been done towards realising this planning approach in the municipality. The Spatial Development Framework has been reviewed during 2010/2011, the municipality plans to anchor its urban or corridor planning in the two urban areas.

The municipality will therefore consider putting mixed land uses together for economies of scale and scope. High order services will be accessed by the public from these two major urban spaces with essential services accessible from all secondary nodes. The municipality will in the reviewed spatial development framework consider grading its development nodes into three categories:

- Primary nodes such as Tsolo, Qumbu and Elangeni forest
- Secondary nodes such as St Cuthberts, Sulenkama, Tsitsa and Tina Falls and
- Tertiary nodes such as Tsolo Junction and Qumbu because of their strategic position in relations to the national road (N2)

In addition, the municipality has several areas of strategic importance though the measure of development impact is not similar to those listed above. The municipality has thus identified through its Spatial Development Framework a number of sectors. These will be clearly depicted in the final SDF maps as areas of potential investment such as agriculture (various sub sectors by soil type) forestry, tourism, and manufacturing.

2.11.4 Mzimvubu Water Projects

Back Ground

The Mzimvubu Water Project is a Strategic Integrated Project (SIP3 project) that is intended to inject stimulus for economic development and social upliftment in the project area.

The project scope entails the development of a multipurpose dam on Tsitsa River, a tributary of the Mzimvubu River, to supply irrigated agriculture, domestic and industrial water requirements and hydropower generation.

The project footprint spreads over OR Tambo, Alfred Nzo and Joe Gqabi District Municipalities.

2.11.5 Ntabelanga-Laleni Conjunctive Scheme

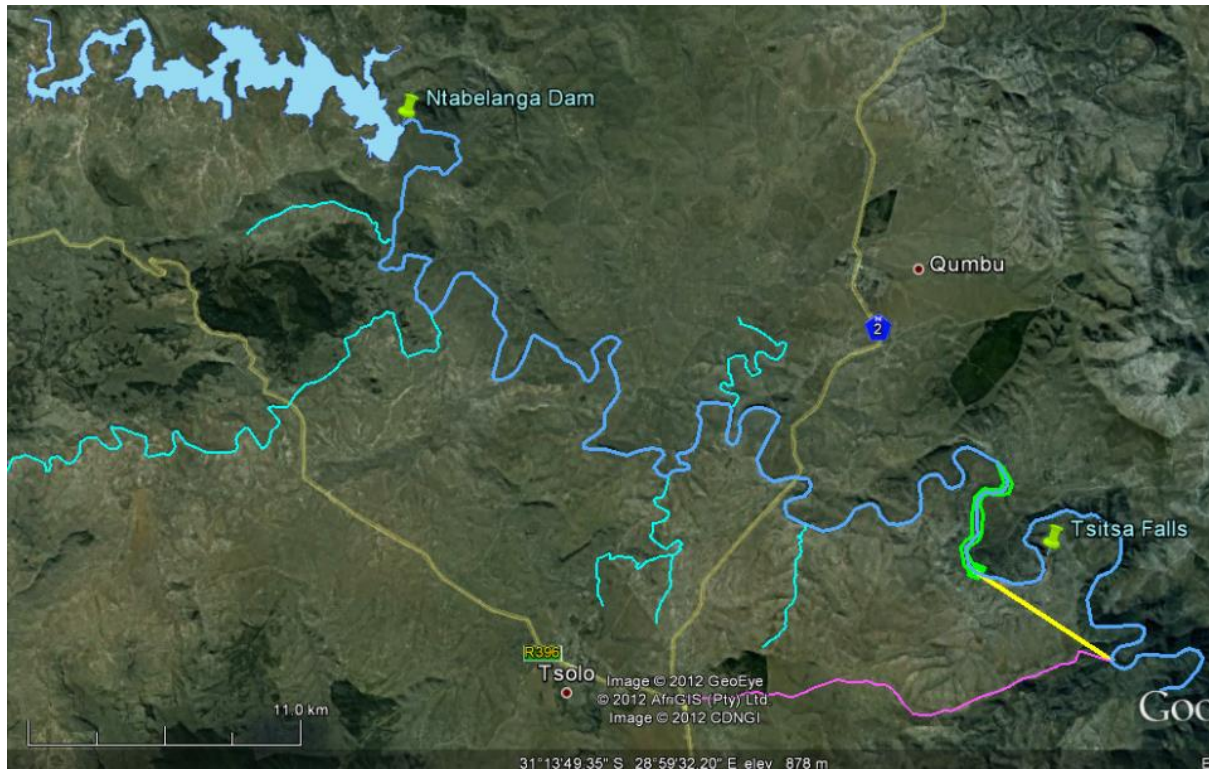
The scheme being investigated is a conjunctive scheme comprising a large dam at Ntabelanga and a smaller dam at Laleni, both to be operated as an integrated scheme.

In addition to supplying domestic and irrigation water, the upstream Ntabelanga dam will also serve to regulate streamflow required to generate hydropower at Laleni.

While Ntabelanga dam is investigated at detailed level of feasibility, Laleni hydropower scheme has so far only been investigated at preliminary level.

The conjunctive scheme marks the initial phase of a broader development programme of the Mzimvubu Catchment to be phased over time.

Ntabelanga-Laleni Conjective Scheme



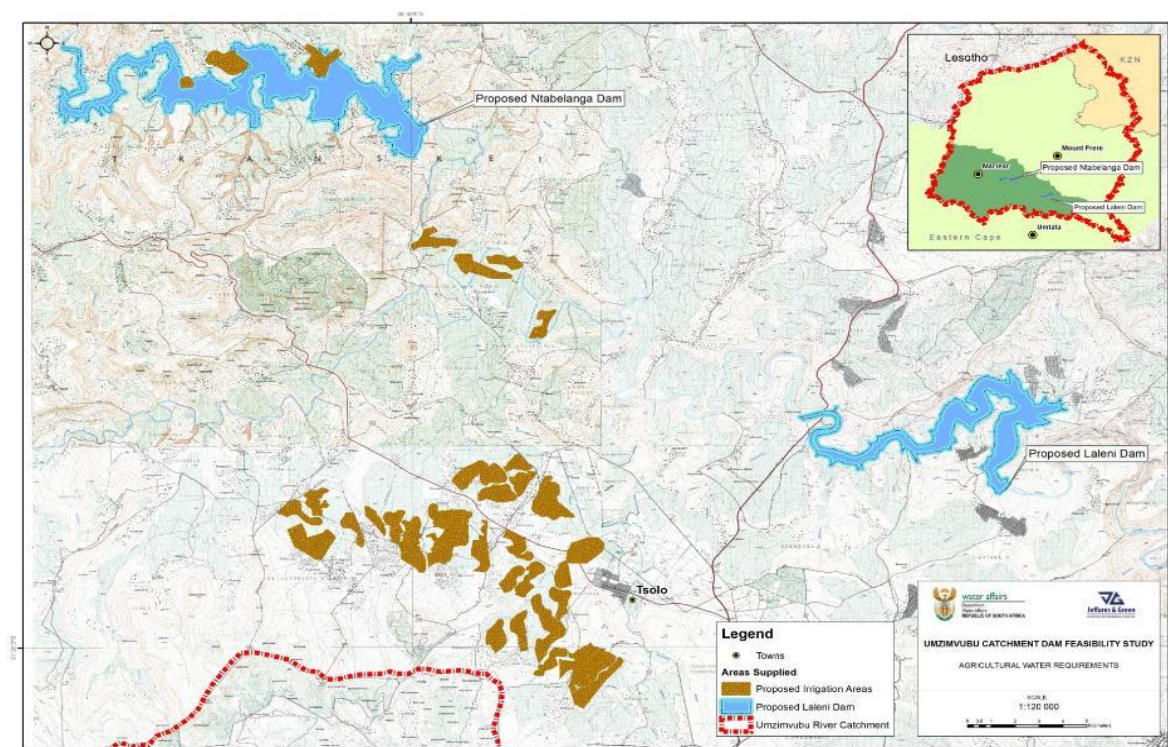
2.11.6 Irrigation Water Requirements

Study has identified 2 868 ha of high potential land suitable for irrigated agriculture.

2 450 ha in the Tsolo area and the rest near to the dam and along the river.

Water requirements based upon average of 880 mm per annum application rate which includes losses/wastage.

Proposed Irrigation Areas



2.11.7 Determination of Farm Unit Size

Commercial irrigation farming relies on planting and harvesting at certain times. Timing can be critical.

Shared use of implements sounds good in theory, but seldom works in practice. Everyone wants the implements at the same time!

One method to determine farm size is according to justified economic use of a typical tractor and cultivation implements per farming unit: each farmer owns his own.

Implement	Number Required	Work rate
50kw Tractor	1	
Plough	1	6 ha/day
Disc	1	15 ha/day
Planter	1	15 ha/day
Cultivator	1	20 ha/day

A 60ha farming unit would justify its own implements, based on the above work rates and a 35 calendar day (21 productive day) critical planting window.

The identified lands can be divided up into 45 rationalised farming units of between 40 and 90 ha each (ave 63.7ha).

2.11.8 Combined Bulk Water Requirements

Including system losses:

- Potable water: 32.86 million m³ /a
- Irrigation water: 27.76 million m³ /a
- Total requirements to be supplied by Ntabelanga dam = 60.62 million m³ /a
- excludes hydropower requirements

2.11.9 Hydropower Potential

Hydropower generation is possible:

- At Ntabelanga Dam - 0.75 MW to 5 MW (average 2.1 MW)
- At Laleni Dam & Tunnel (used conjunctively with Ntabelanga) - 15 to 30 MW continuous base load output

2.11.10 Rural Development

Back Ground

On the 6th of May 2009, the Premier Noxolo Kiwiet in her inauguration address of the Eastern Cape, Honourable Premier announced a reconfiguration of the mandate of the Department of Rural Development and Land Reform to a Department of Rural Development and Agrarian Transformation. The Premier also stated that in line with the ANC Manifesto, the Eastern Cape government will greatly intensify its rural development initiatives, and will be implementing state-facilitated agricultural and agro-processing programmes with the aim of creating decent work and addressing food security. As part of this commitment, the Premier further declared Mhlontlo Municipality a “Comprehensive Rural Development Pilot Site”. The pilot was officially launched in wards 2 (Tsolo) and 13 (Qumbu) during August 2009.

2.11.12 Rationale for the Rural Development Pilot

The main agenda of the rural development pilot is to showcase a coordinated and improved service delivery in rural communities of Mhlontlo Local Municipality. The emphasis is to priorities resources to address the plight of rural and focus on high impact interventions. All the sector departments have submit their action plans with budget to support the comprehensive rural Rural Development and Land Reform and the Department has commissioned Agriculture research council as implementing agent for the project. The Comprehensive Rural Development in Mhlontlo Municipality is an unfunded mandate where the municipality has no access to the funding and processes of Rural Development.

Crafters: 150 people have been trained on crafting and also trained on how to market their products in different exhibitions. 11 wards benefited and those wards are as follows; 1, 2, 3, 4, 6, 7, 9, 13, 14, 16, and 19. 12 co-operatives have been created.

Removal of Akacia Karoo that invaded mielie fields in ward 13, the project is funded by DEA with a budget amounting to R1, 235,003.58. 160 people benefited from the clearing of invasive alien plants along Mthatha.

NDA: Implementing Agency Heifer 100 beneficiaries in ward 13 and 46 beneficiaries in ward 17. There will be another 146 beneficiaries that will be trained to receive and maintain goats, sheep and chickens.

The sheering shed built in ward 02 Mthonyameni. 400 hector being ploughed in Kambi 20 in ward 02.

The states rationale for rural development is to address:

- **Structural/historical factors**
- **Land and agrarian relations**
- **Settlement patterns and migration**
- **Food insecurity**
- **Poverty and inequality**

The priorities for the Mhlontlo pilot are to:

- Mobilize the whole of government behind all of the rural development pillars outlined in the Provincial Rural Development Strategy (horizontal, and vertical across sphere);
- Develop a quality physical, social and economic infrastructure;
- Ensure availability of land as viable asset to the rural poor;
- Enhance indigenous knowledge and cultural values;
- Ensure vibrant arts and cultural life; and
- Provide the pilot site with access to basic social services, information, communication and technology.

CHAPTER THREE: DEVELOPMENT STRATEGIES

3.1 Vision

The Mhlontlo Municipality envisions itself as a,

“...united community that champions viable socio-economic development programmes and provision of effective and efficient services in an environment of good governance.”

3.2 Mission

To achieve the above vision, the Mhlontlo Municipality intends to,

“....mobilize resources for the best quality services and strive to create a user friendly environment for its citizens and investors, thus resulting in sustainable development in partnership with other stakeholders.”

3.3 Five Development Priority Objectives

- To receive and consider the report on institutional capacity.
- To review a five year municipal vision, mission and strategic objectives.
- To align municipal strategic objectives with the Provincial Strategic Priority Areas, and National Outcomes and Vision 2030 (NDP) review strategic programmes, and flagship projects.
- To check the alignment and complementary elements of development with other state organs.
- To review Top Layer SDBIP for 2014/2015.

3.4 Challenges and Priorities for the IDP Development

The identification of challenges and the subsequent agreement on the priorities for the current development was undertaken through the following processes:

IDP Phase	Activity/Forum
State of development analysis	<ul style="list-style-type: none"> ▪ Ward committee needs were updated through ward committee meetings ▪ IDP Representative Forum considered the state of development analysis and accepted the ward needs process
Objectives and strategies	Municipal strategy planning session undertook an external and internal environmental analysis and further reviewed the current municipal objectives and strategies

3.5 External Environmental Analysis

POLITICAL	ECONOMIC/FINANCIAL
<p>Political deployment that does not consider skills, expertise, relevant qualification & experience aggravating non cooperation, service delivery (implementation of municipal programmes)</p> <p>Lack of trust and no culture of complementing within the entire institution (political arm and administrative arm)</p> <p>Political interference in administrative issues.</p> <p>Political instability leading to no coherence of Municipal leadership and administration</p>	<p>Dependency on Intergovernmental grants and inability to raise own revenue</p>
Resistance to change in political leadership and change in vision.	National Economic policy and International environment (Inflation targeting) inhibits ability of municipality to achieve its socio-economic development targets due to the formula of allocation of equitable share
<ul style="list-style-type: none"> ▪ Failure to resolve outstanding land claims which could result in land-grabbing (Political influence on policies for service delivery purposes) ▪ Good working relations between councillors and traditional leadership. However there are divisions within traditional leadership. 	Reduced levels of crime have contributed to municipal ability to retain investors and promoting a sense of safety.

Lack of integration of the political objective and administrative processes may hinder the implementation of the strategy		The deteriorating state (Quality) of social & engineered infrastructure and the delivery approach likely to hinder the success of the strategy.	
SOCIAL		TECHNOLOGICAL	LEGAL
If not urgently attended to - the level of HIV/AIDS prevalence poses the danger of weakening the success of the strategy.		Taking advantage of global improvement in technological advances (i.e. ICT solutions like GIS mapping) will enhance strategy monitoring and success. Taking advantage of the introduction of e-government system can help the municipality as one of service delivery modes.	Non compliance with applicable laws and policies resulting to negative audit reports
<ul style="list-style-type: none"> ▪ Lack of social cohesion within the Local Municipal community is likely to result in the resistance of the strategy ▪ Improved social cohesion within the local municipal community is likely to improve implementation of the strategy. 		Use of labour-displacing technologies likely to undermine the LM's developmental objectives	
High levels of illiteracy are likely to undermine the ability of communities to access and participate in development benefits		Lack of ICT consumption capacity and expertise	
		Absence of a clear ICT procurement and management policy likely to cost the municipality & result in wastage	

3.6 Internal Environmental Analysis

STRENGTHS	WEAKNESSES
Presence of By-laws	Exodus of personnel
Availability of financial resources	Poor management of available financial resources
Availability of some key policies	Lack of Properly updated inventory register
Availability of Resources	Communication Department under populated
Good Inter-Gov relations & Intergovernmental Forums	Non implementation of council resolutions
Sustainable Externally funded Projects that can serve as benchmarks	Improper monitoring and evaluation
Coordination and Support	Lack of funds
Good Relationship between communities and municipality	Internally funded projects are not sustainable
Support from DM & other spheres of government	Procedures to access funds
	High community illiteracy
	Lack of communication between DM & LM
	Lack of financial resources
	Lack of cooperation between internal structures

	Non review of some policies
	Selective skills development
	Non adherence to retention strategy
	Lack of information dissemination

CHAPTER FOUR: SPATIAL RATIONALE AND ANALYSIS

4.1 Spatial Development Framework

In terms of Section 26(e) of the Municipal Systems Act (Act 32 of 2000), every municipality is required to formulate a Spatial Development Framework (SDF) as part of its Integrated Development Plan (IDP). Taking into account the current pattern of land use and the nature of development in the municipal area, a Spatial Development Framework is required to describe in words and illustrations how the Municipality sees desirable future patterns of land use and development in its area of jurisdiction. In essence, it serves as an anchor document which guides the Municipality's spatial "Vision" of what the Mhlontlo Municipal area will look like in many years to come.

The Spatial Development Framework was adopted by the council on the 15/03/2011 and is a legally enforceable component of the IDP, which indicates both to the Municipality (councillors and officials) and to the public (investors, developers and land owners etc.) where certain types of land use and associated developments are permissible, and where certain activities are unlikely to be permitted. As such, it forms the basis for land use management and serves as a guideline to inform the Mhlontlo Local Municipality in its decisions on land development (new development and changes to existing land uses) in its area of jurisdiction. Therefore, the Spatial Development Framework also functions as a framework for public and private sector investment in different types or levels of development in those areas of Mhlontlo that have been identified as appropriate or suited to such development.

4.1.1 National Spatial Development Perspective and Spatial Distribution of Development Potential in Mhlontlo

The release of the National Spatial Development Perspective (NSDP) in 2004 has provided planners with a further tool in assessing the logical and most efficient arrangement of spatial priorities in a planning area.

For the purposes of the Mhlontlo SDF, it is useful to review briefly the proposed categories of development potential identified in the NSDP and to assess how and where this may apply in Mhlontlo Area, based on what is set out in the Mhlontlo IDP. These categories are set out in the Mhlontlo SDF, from the interpretation of the Mhlontlo IDP, it is proposed that they may be applied in the Mhlontlo Municipal Area as set in the Mhlontlo Municipal SDF.

4.1.2 The Provincial Growth and Development Plan (PGDP)

The Eastern Cape PGDP (2004-2014) provides a strategic framework, and set of sector strategies and programmes aimed at achieving a rapid improvement in the quality of life for especially the poorest people in the Province. In order to achieve this, the PGDP sets out a vision and series of targets in the areas of economic growth, employment creation, poverty eradication and income redistribution

for the ten-year period 2004 – 2014. The strategic framework for action includes six strategic objectives, which are divided further into three key objectives and three foundation objectives.

The three key objectives:

- Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to pro-poor programming;
- Agrarian transformation and strengthening of household food security; and
- Consolidation, development and diversification of the manufacturing base and tourism potential.

The three foundation objectives are:

- Infrastructure development;
- Human resource development; and
- Public sector and institutional transformation.

CHAPTER FIVE: DEVELOPMENT OBJECTIVES

5.1 Local Government Turnaround Strategy

In January 2010, Cabinet approved comprehensive Local Government Turn Around Strategy (LGTAS), which was crafted, by the Department of Cooperative Governance and Traditional Affairs (CoGTA) in December 2009. The following constitutes the LGTAS outcomes for the MTSF (2009-2014) period:

- Quality basic education
- A long and healthy life for all South Africans
- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- Skilled and capable workforce to support and inclusive growth plan
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable, sustainable rural communities contributing towards
- Sustainable human settlements and improved quality of household life
- Responsive, accountable, effective and efficient local government system
- Protect and enhance our environmental assets and natural resources
- Create a better South Africa, a better and a better world
- An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship.

The Mhlontlo Local Municipality has managed to implement some of the projects and programmes that were identified in the Mhlontlo Turnaround Strategy Document.

5.2 Municipal Priority Objectives

The municipal strategic objectives are formulated in line with Local Government's 5 Year Strategic Agenda. In addition, and in recognition of the selection of Mhlontlo as a rural development pilot project, rural development has been added under LED key performance area.

Municipal Goals			To strengthen municipal governance and administrative capacity									
Municipal Key Performance Area (KPA)			Good Governance									
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes			(9) A Responsive, accountable, effective and efficient local government system									
			(12) A developmental-oriented public service and inclusive citizenship									
Strategic Focus Area	5 Year Objective	Programme s/ Projects/Strategies	Output z /Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name		Annual Targets					
						Baseline	2012/13	2013/14	2014/15	2015/16	2016/17	
Public Participation	Ensure effective stakeholder participation in municipal IDP and budget by 2016/17	Develop and implement a stakeholder communication and management plan	Meaningful involvement of communities in Municipal decision making	Corporate Services	Director Corporate Services	Public Participation policy in place	Implementation & Monitoring	Implementation & Monitoring	Implementation & Monitoring of public participation policy	Implementation & Monitoring of public participation policy	Implementation & Monitoring	
Service Delivery Quality Management.	Ensure quality service delivery to communities by 2016/17	Development of communication strategy	Positive feedback from communities	Corporate Services	Director Corporate Services	.	Implementation & Monitoring	Implementation & Monitoring	Development of communication strategy	Implementation & Monitoring of communication strategy	Implementation & Monitoring	
Anti-Corruption policy	Root out corruption throughout the municipality by	Implementation of municipal Anti-Corruption Policy	Corrupt free institution and Clean audit	Municipal Managers Office	Municipal Manager	Approved policy in place	Implementation & Monitoring	Implementation & Monitoring	Implementation & Monitoring of anti-corruption policy	Implementation & Monitoring of anti-corruption policy	Implementation & Monitoring	

	2016/17	(hotline & whistle blowing)										
Intergovernmental Relations (IGR)	Improve alignment of sector department programmes and the Municipal IDP by 2016/17	Effective implementation of IGR Plan.	Integrated service delivery programmes	Municipal Managers office	Strategic Manager	Policy in place.	Implementation of IGR Policy	Implementation of IGR Policy	Implementation of IGR Policy	Implementation of IGR Policy	Implementation of IGR Policy	Implementation of IGR Policy
By-Laws	Ensure safe and healthy environment by 2016/17	Enforce existing By Laws.	Compliant Environment	Community Services	Director Community Services	By laws in place	Implementation of By-Laws	Implementation of By-Laws	Implementation of By-Laws	Implementation of By-Laws	Implementation of By-Laws	Implementation of By-Laws
		Formulate new By Laws	Availability of relevant by- laws	Strategic office	Strategic Manager	List of identified by Laws	Council approval of new By laws	Council approval of new By laws	Implementation of By-Laws and development of new By-laws	Implementation of By-Laws	Implementation of By-Laws	Implementation of By-Laws

			To strengthen municipal governance and administrative capacity								
Municipal Key Performance Area (KPA)			Good Governance								
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes			(9) A Responsive, accountable, effective and efficient local government system								
			(12) A developmental-oriented public service and inclusive citizenship								
Strategic Focus Area	5 Year Objective	Programmes/Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name			Annual Targets			
						Baseline	2012/13	2013/14	2014/15	2015/16	2016/17
Community and Social Services	To improve co-ordination of inter-sphere delivery of social and community services	Revival and strengthening of the Sector Forums [Transport Forum, Community Safety Forum, Local Education Forum, Mhlontlo Home Affairs Stakeholders Forum]	Functional fora.	Community Services	Community Services Director	Sector departmental forums	Monitoring & Review	Monitoring & Review	Monitoring & Review	Monitoring & Review	Monitoring and Review
Special Programmes	Improve effectiveness and efficiency of special programmes	Fully mainstream special programmes within the municipality	Reflection on special programmes by all departments	Strategic Office	Strategic Manager	Personnel	Development of the mainstreaming strategy	Implementation Monitoring & Review,	Development of the SPU mainstreaming Strategy	Implementation, Monitoring & Review	Implementation, Monitoring & Review

		Establishment of Special Programmes statutory structures (Youth Forums, Women Forums and Ward Aids Forums, Disabled and Elderly Forums at ward level.)	Integrated functional structures	Strategic Office	Strategic services office	Local Aids Forum in place, Local Plan of Action for Children in place, Elderly structure in place [all at the Municipal level]	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review
Council Oversight	To improve the Council oversight responsibility by 2016/17	Implement Councilors skills development strategies	Capacitate council members	Corporate Services	Corporate Services director	Skills Audit in place	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review
		Strengthen administrative support	Fully functioning administrative personnel	Corporate Services	Corporate Services director	Skills audit in place	Monitoring & Review	Monitoring & Review	Monitoring & Review	Monitoring & Review of skills development plan for councillors	Monitoring & Review of skills development plan for councillors	Monitoring & Review of skills development plan for councillors

Municipal Goals			To strengthen municipal governance and administrative capacity								
Municipal Key Performance Area (KPA)			Good Governance								
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes			(9) A Responsive, accountable, effective and efficient local government system								
			(12) A developmental-oriented public service and inclusive citizenship								
Strategic Focus Area	5 Year Objective	Programmes/ Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Traditional Leaders	To ensure sound relations with Traditional Leaders by 2016/17	Identify and develop strategies for the improvement of the relationship between the municipality and traditional leaders.	Sound relations between the municipality and traditional leaders	Corporate Services	Corporate Services Manager	MOU with traditional leaders	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review of MOU between council and Traditional leaders	Implementation, Monitoring & Review of MOU between council and traditional leaders	Implementation, Monitoring & Review of MOU between council and traditional leaders
Ward Committees.	To enhance community participation in all programmes of the municipality by 2016/17	To ensure capacitation of ward committees.	Capacitated ward committees.	Corporate Services.	Corporate Services Manager	260 ward committees	Capacitation	Capacitation of ward committees	Capacitation of ward committees	Capacitation of ward committees	Capacitation of ward committees
CDW'S	To enhance community participation in	To ensure capacitation of	Functional CDW's at	Office of the	Office of the	23 CDWs	Lobby Local Government to train	Lobby Local Governm	Lobby Local Governm	Lobby Local Governme	Lobby Local Governme

	all programmes of the municipality by 2016/17	CDW's.	ward level.	Speaker	Speaker		CDWs	ent to train CDWs	ent to train CDWs	nt to train CDWs	nt to train CDWs
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Municipal Goals			To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)			Financial Viability									
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes			(1) Improve the quality of basic education									
			(2) Improve health and life expectancy									
			(3) All people in South Africa are, and feel safe									
			(4) Decent employment through inclusive economic growth									
			(6) An efficient and responsive economic infrastructure									
			(8) Sustainable human settlements and improved quality of household life									
			(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
Supply chain management and fleet management		Development of SCM standard operating procedures	SCM standard operating procedures	Compliance with the municipal policies and National Regulations	BTO	CFO	SCM Policies in place and adopted.	Development and implementation of manual procedures.	Review and implementation of procedure manuals and policies. Review of data base	Review and implementation of procedure manuals and policies. Review of data base	Review and implementation of procedure manuals and policies. Review of data base	Review and implementation of procedure manuals and policies. Review of data base
		Training all	Trained	Compliance	BTO	CFO	SCM	Training of	Training of	Training of	Training of	Training of

Municipal Goals			To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)			Financial Viability									
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes			(1) Improve the quality of basic education									
			(2) Improve health and life expectancy									
			(3) All people in South Africa are, and feel safe									
			(4) Decent employment through inclusive economic growth									
			(6) An efficient and responsive economic infrastructure									
			(8) Sustainable human settlements and improved quality of household life									
			(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
	To ensure that MLM complies with MFMA AND SCM regulations	departments on SCM standard operating procedures	personnel on SCM standard operating procedures	with the municipal policies and National Regulations			Policies in place and adopted	all HOD ,& DD on policies and manual procedure	all HOD ,& DD on policies and manual procedure	all HOD ,& DD on policies and manual procedure	all HOD ,& DD on policies and manual procedure	all HOD ,& DD on policies and manual procedure
		supplier data base cleansing	Accurate supplier data base information	Accurate supplier data base information	BTO	CFO		25% of local suppliers trained	25% of local suppliers trained	25% of local suppliers trained	25% of local suppliers trained	100% of local suppliers trained
		Review the SCM Policy to encourage partnership of SMME with established companies	Adopted SCM policy in line with LED strategy.	Adopted SCM policy in line with LED strategy.	BTO	CFO	SCM policy in place		Review and implement ation of procedure manuals and policies.	Review and implement ation of procedure manuals and policies.	Review and implement ation of procedure manuals and policies.	Review and implement ation of procedure manuals and policies.

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
		and aligning SCM policy and LED strategy										
ASSET & FLEET MANAGEM ENT	Ensure that MLM assets are managed and utilised in line with relevant policies and by laws.	Strengthenin g of fleet managemen t controls	Reduced misuse of municipal vehicles	Reduced fuel costs and the reduction of the repairs and maintenance expenditure	.BTO	CFO	Fleet system in-place, Fuel reconciliati ons are done on monthly basis.	,	5% reduction of repairs and maintenanc e expenditure and 10 % reduction on fuel costs compared to the previous	10% reduction of repairs and maintenanc e expenditure and 15 % reduction on fuel costs compared to the previous	15% reduction of repairs and maintenanc e expenditure and 10 % reduction on fuel costs compared to the previous	50% reduction of repairs and maintenanc e expenditure and 50 % reduction on fuel costs compared to the

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
									year	year	year	previous year
					BTO	CFO	ASSINGE D TO ASSET OFFEICER .	Appointmen t of Logistics officer.	Monitoring and maintenanc e of fleet.	Monitoring and maintenanc e of fleet.	Monitoring and maintenanc e of fleet.	Monitoring and maintenanc e of fleet.
	-	Update asset register to comply with GRAP and other relevant legislations	Updated compliant asset register	GRAP Compliant register	BTO	CFO	ASSET REGISTE R IN PLACE	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.
REVENUE MANAGEM	Ensure effective revenue	Data cleansing	Acurate data	Increased debt	BTO	CFO	Valuation roll in	10% more of the	20% more of the	30% more of the	40% more of the	100% collection

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
ENT AND DEBT COLLECTION	management and debt collection			collection percentage.			place.	previous year's revenue collection.	previous year's revenue collection.	previous year's revenue collection.	previous year's revenue collection.	on all debtors.
		Enforcement of By-laws and Policies	Compliance with council Policies & By-Laws	Increase debt collection percentage	BTO	CFO	Policies and bylaws in place and adopted	10% more of the previous year's revenue collection.	20% more of the previous year's revenue collection.	30% more of the previous year's revenue collection.	40% more of the previous year's revenue collection.	100% collection on all debtors.
		Update indigent register	Credible indigent register	Credible indigent register	BTO	CFO	Data collection done.	Data collection and update of register. Review of Indigent policy.	Data collection and update of register. Review of Indigent policy.	Data collection and update of register. Review of Indigent policy.	Data collection and update of register. Review of Indigent policy.	Data collection and update of register. Review of Indigent policy.
		Development of revenue	Revenue enhancement	Compliance	BTO	CFO	Draft revenue	10 % increase on	20 % increase	30 % increase	40 % increase	100 % increase

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
		enhancemen t strategy	t strategy	with the MFMA. Increased revenue sources.			enhancem ent strategy in place.	own revenue.	on own revenue	on own revenue	on own revenue	on own revenue

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
FINANCIAL REPORTING AND BUDGETING	To ensure credible budgeting and Proper Financial reporting in line with relevant Legislation	Development of credible budget in-line with relevant legislation.	Credible budget	Compliance with budgeting and financial reporting regulations	BTO	CFO	Financial Policies and relevant legislation	Development and adjustment of annual budget for 2012/13.	Development and adjustment of annual budget for 2013/14	Development and adjustment of annual budget for 2014/15	Development and adjustment of annual budget for 2015/16	Development and adjustment of annual budget for 2016/17
		Preparation of Annual Financial Statements	Annual financial statements	Compliance with budgeting and financial reporting regulations	BTO	CFO	Financial Policies and relevant legislation	Development of credible AFS for 2012/13	Development of credible AFS FOR 2013/14	Development of credible AFS for 2014/15	Development of credible AFS for 2015/16	Development of credible AFS for 2016/17

Municipal Goals		To ensure universal access to basic household, community and social services										
Municipal Key Performance Area (KPA)		Financial Viability										
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes		(1) Improve the quality of basic education										
		(2) Improve health and life expectancy										
		(3) All people in South Africa are, and feel safe										
		(4) Decent employment through inclusive economic growth										
		(6) An efficient and responsive economic infrastructure										
		(8) Sustainable human settlements and improved quality of household life										
		(9) A responsive and, accountable. Effective, and efficient local government system										
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
								2012/13	2013/14	2014/15	2015/16	2016/17
		Compliance with statutory reporting as per the MFMA stipulations.	Submitted statutory reports	Compliance with budgeting and financial reporting regulations	BTO	CFO	Monthly Financial Reports	Submission of statutory reports on time (not later than 10 working days after the month end)	Submission of statutory reports on time (not later than 10 working days after the month end	Submission of statutory reports on time (not later than 10 working days after the month end	Submission of statutory reports on time (not later than 10 working days after the month end	Submission of statutory reports on time (not later than 10 working days after the month end
Expenditure Management	To ensure effective expenditure control systems and practices based on legislation	Payment of Municipal Creditors within 30 days from date of receipt of invoice	Timely payment of creditors	Compliance with section 65 (2) & Circular 49 of the MFMA.	BTO	CFO	Currently payments are done two times a week.	Implementation of MFMA.	Implementation of MFMA.	Implementation of MFMA.	Implementation of MFMA.	Compliance with the MFMA.

Municipal Goals			To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)			Financial Viability									
Municipal Turnaround Strategy												
Provincial Strategic Priority												
National Outcomes			(1) Improve the quality of basic education									
			(2) Improve health and life expectancy									
			(3) All people in South Africa are, and feel safe									
			(4) Decent employment through inclusive economic growth									
			(6) An efficient and responsive economic infrastructure									
			(8) Sustainable human settlements and improved quality of household life									
			(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE					
	and best practice.							2012/13	2013/14	2014/15	2015/16	2016/17
					BTO	CFO		Free error payments.	Free error payments	Free error payments	Free error payments	Free error payments

Municipal Goals		To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)		Infrastructure and Service Delivery									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(1) Improve the quality of basic education									
		(2) Improve health and life expectancy									
		(3) All people in South Africa are, and feel safe									
		(4) Decent employment through inclusive economic growth									
		(6) An efficient and responsive economic infrastructure									
		(8) Sustainable human settlements and improved quality of household life									
		(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output/Ou tcomes Indicator	Indicator Custodian Departme nt	Indicator Custodian Name	BASELIN E	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Roads	To ensure that all Mhlontlo Households are provided with access roads	Construction of access roads	Easy Access by communities to socio economic services	IDAP	IDAP Director	IDP Situational Analysis and CBP	Construction of 70 km	Constructio n of 70 km access roads	Constructi on of 40 km access road	Constructi on of 40 km access roads	Constructio n of 40km
		Surfacing of urban roads		IDAP	IDAP Director		-	Lobby relevant department s for the funding of surfacing of urban and nodal roads	Surfacing of 2km urban roads with asphalt surfacing	Surfacing of 2km urban roads with asphalt surfacing	Surfacing of 2km urban roads with asphalt surfacing
		Maintenance of access roads and urban internal roads		IDAP	IDAP Director		maintenance of 100km	maintenan ce of 100km rural and urban roads,	maintenan ce of 60km rural and Urban roads	maintenan ce of 60km rural and urban roads	maintenanc e of 60km rural and urban roads

Ensure improvement of road networking within the municipality	Facilitate maintenance of district/provincial roads		IDAP	IDAP Director
Ensure provision of safe and affordable public transport services and infrastructure	Facilitate the provision of safe and affordable public transport services and infrastructure, e.g. ranks, pedestrian crossings, walkways etc.	Improved transportation facilities and Infrastructure	IDAP	IDAP Director
	Construction of parking bays and sidewalks in towns	Free flow of traffic and pedestrian Movement	IDAP	IDAP Director

	purchasing of additional construction plant			
Engage and lobby the department of public works	Engage and lobby the department of roads and public works and SANRAL for construction of Bridges	Engage and lobby the department of roads and public works and SANRAL	Engage and lobby the department of roads and public works and SANRAL	Engage and lobby the department of roads and public works and SANRAL
Engage and lobby the department of transport	Engage and lobby the department of transport	Engage and lobby the department of transport	Engage and lobby the department of transport	Provision of public transport facilities
Construction of 80 parking bays and 5km sidewalks in both towns	Construction 2.7 km sidewalks in both towns	Construction of 2.7 km sidewalks in both towns	Construction of 2.7 km sidewalks in both towns	Construction of 2.7 km sidewalks in both towns

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Municipal Goals		To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)		Infrastructure and Service Delivery									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(1) Improve the quality of basic education									
		(2) Improve health and life expectancy									
		(3) All people in South Africa are, and feel safe									
		(4) Decent employment through inclusive economic growth									
		(6) An efficient and responsive economic infrastructure									
		(8) Sustainable human settlements and improved quality of household life									
		(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programmes/Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator or Custodian Name	Baseline Information	Annual Targets				2016/17
							2012/13	2013/14	2014/15	2015/16	
Energy	To ensure that all Mhlontlo Households have access to electricity	Facilitate connection of house holds	Universal Access to electricity	IDAP	IDAP Director	Electrical development Plan , MOU	Facilitate connection of 1040 house holds	Facilitate connection of 1465 house holds	Facilitate connection of 1465 house holds	Facilitate connection of 1465 house holds	Connection of 1465 house holds
		Facilitate connection of all public centers		IDAP	IDAP Director		Facilitate connection of all public centres	Facilitate connection of all public centres	Facilitate connection of all public centres	Facilitate connection of all public centres	Connection of all public centres
Water and sanitation	to ensure that Mhlontlo households have access to clean water by 2016	facilitate provision of bulk water supply	Access to clean water	IDAP	IDAP Director	District Water Services Plan, IDP situational Analysis	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Provision of Bulk infrastructure
		facilitate provision of clean water		IDAP	IDAP Director		Lobby the district municipality to provide clean	Lobby the district municipality	Lobby the district municipality	Lobby the district municipality	Provision of clean water

		supply to households					water supply	y to provide clean water supply	y to provide clean water supply	y to provide clean water supply	supply to all households
	To reduce household sanitation backlogs by 2016	facilitate provision of sanitation	Clean and Healthy environment	IDAP	IDAP Director		Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Provision of sanitation
	Ensure provision of bulk sewer system	facilitate provision of bulk sewer system		IDAP	IDAP Director		Lobby the district municipality to provide bulk sewer system	Lobby the district municipality to provide bulk sewer system	Lobby the district municipality to provide bulk sewer system	Lobby the district municipality to provide bulk sewer system	Provision of Bulk sewer systems
Human Settlements	Ensure the provision of decent Houses to MLM Households	Facilitate the provision of decent houses	Sustainable human settlements	IDAP	IDAP Director	2007 Housing Sector Plan,	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Provision of decent houses
Municipal Goals		To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)		Infrastructure and Service Delivery									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(1) Improve the quality of basic education									
		(2) Improve health and life expectancy									
		(3) All people in South Africa are, and feel safe									
		(4) Decent employment through inclusive economic growth									
		(6) An efficient and responsive economic infrastructure									
		(8) Sustainable human settlements and improved quality of household life									

(9) A responsive and, accountable. Effective, and efficient local government system											
Strategic Focus Area	5 Year Objectives	Programme s/Projects/S strategies	Output/Ou tcomes Indicator	Indicator Custodian Departme nt	Indicator Custodi an Name	Baseline Informati on					2016/17
							2012/13	2013/14	2014/15	2015/16	
		Identify suitable land for sustainable human settlement	Sustainabl e human settlement s	IDAP	IDAP Director	2010 SDF	Identify land suitable for development in line with SDF and Acquire land	Identify land suitable for development in line with SDF and Acquire land	Identify land suitable for development in line with SDF and Acquire land	Identify land suitable for development in line with SDF and Acquire land	Sustainable Human Settlement
		Formalize informal settlements	Sustainabl e settlement s	IDAP	IDAP Director		Identify areas that need needs to formalize in line with SDF				
		Facilitate beneficiary administratio n	Sustainabl e human settlement s	IDAP	IDAP Director		Embark of social facilitation in terms of IPLRA. Enter in to service level agreement with communities	Township Establishme nt process	Township Establishme nt process	Township Establishme nt process	Sustainabl e settlement
Building Control and Building Maintenance	Ensure full compliance with NBR act	Conduct regular inspections	NHBCRC approved buildings in line with NBRA	IDAP	IDAP Director	National Building Regulations Act	Facilitate beneficiary administratio n	Facilitate beneficiary administratio n	Facilitate beneficiary administratio n	Facilitate beneficiary administratio n	Administer All housing beneficiarie s
							Conduct buildings inspections to new construction and existing buildings s and structural development	Conduct buildings inspections to new construction and existing buildings s and structural development	Conduct buildings inspections to new construction and existing buildings s and structural development	Conduct buildings inspections to new construction and existing buildings s and structural development	All developme nt are inspected during the constructio n and after

		Development of building Control Management Plan		IDAP	IDAP Director		Development of building control management plan	Implementation of building control management plan	Implementation of building control management plan	Implementation of building control management plan	Full Adherence to National Building Regulations
	To ensure that all municipal buildings are well maintenance	Develop and Implement building Maintenance plan	Well Maintained municipal Buildings	IDAP	IDAP Director		Develop building maintenance plan	Implementation of building maintenance plan	Implementation of building maintenance plan	Implementation of building maintenance plan	Implementation of building maintenance plan
Land Use Planning and Management	To ensure all land development is managed in a sustainable manner in line with relevant legislation and statutory documents	Develop and Implement Mhlontlo Town Planning Scheme	Sustainable land usage	IDAP	IDAP Director	Township Ordinance 34 Of 1933	Development of Mhlontlo town Planning Scheme	Implementation of Mhlontlo Town Planning Scheme	Implementation of Mhlontlo Town Planning Scheme	Implementation of Mhlontlo Town Planning Scheme	Land Use Planning and Management
Spatial Planning	To ensure all development are sustainable in line with relevant legislation and statutory document	Implement spatial development framework	Sustainable developments	IDAP	IDAP Director	2010 SDF	Review Spatial Development Framework	Review Spatial Development Framework	Implementation of SDF	Implementation of SDF	Sustainable developments
		Implementation of local SDFs		IDAP	IDAP Director		Develop nodal development framework	Implementation of Nodal Framework	Implementation of local SDF	Implementation of Nodal Framework	Sustainable developments
Social Infrastructure	Ensure the enhancement of social Capital by providing social infrastructure	Facilitate the development and construction of Qumbu town hall and offices	Enhanced Social Capital	IDAP	IDAP Director	IDP priorities	Development business plan and submit to MIG for funding	Facilitate the development and construction of Qumbu town hall and offices	Facilitate the development and construction of Qumbu town hall and offices	Facilitate the development and construction of Qumbu Town Hall and offices	Project Complete

		Facilitate the development and construction of Tsolo Offices	Enhanced Social Capital	IDAP	IDAP Director	IDP Priorities		Development business plan and submit to MIG for funding	Development of business plan and submit to MIG for funding	Monitor the construction of Tsolo Offices	Project Complete
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Refuse management	Ensure all urban households have access to refuse collection	Conduction of awareness campaigns on waste management	Awareness of communities in waste management	Community Services	Community Services Director	Registered Landfill site , Waste Buy Back Center , Refuse Collection truck	Conduction of awareness campaigns in identified areas	Conduction of awareness campaigns in identified areas	Conduction of awareness campaigns in identified areas	Conduction of awareness campaigns in identified areas	Community awareness on waste management
		Compaction, Separation and Disposal of waste at Waste Buy Back Centre	Reduction of Volumes of Waste	Community Services	Community Services Director		collection 420 Tons of waste	collection 420 Tons of waste	collection 420 Tons of waste	collection 420 Tons of waste	Reduction of waste
		Embark on EPWP program in food for waste.	Short term job creation	Community Services	Community Services Director		Employ 100 people	Employ 150 people	Employ 100 people	Employ 100 people	To create at least 800 short terms jobs
		Provision of refuse collection from all urban HH.	Healthy and safe environment	Community Services	Community Services Director		Collection of refuse from 2500 house holds	Collection of refuse from 2500 house holds	Collection of refuse from 2500 house holds	Collection of refuse from 2500 house holds	10 000 households must have received refuse collection
		Implementation of integrated waste management plan	Healthy and safe environment	Community services	Community Services Director				Rehabilitation of land fill site	Programme complete	Programme complete
		Recycling of waste through establishment of cooperatives	Reduction of Waste and creation of jobs	Community Services	Community Services Director		Coordinate the establishment of cooperative for recycling of waste	Monitor the recycling of waste by cooperative	Monitor the recycling of waste by cooperative	Monitor the recycling of waste by cooperative	Reduction of waste
		Installatio	Health								

		n of waste bins	and safe environment	Community Services	Community Services Director						
Sporting facilities	To ensure the provision of sport fields by 2017	Facilitate the construction of 2 sport facilities for communities	Enhancement of Social Capital	Community Services	Community Services Director	IDP situational Analysis and CBP	Facilitate construction of sport facilities	Facilitate construction of sport facilities	Facilitate construction of sport facilities	Facilitate construction of sport facilities	Facilitate construction of sport facilities
Sporting facilities	To ensure the provision of sport fields by 2017	Facilitate the construction of 4 sport facilities for communities	Enhancement of Social Capital	Community Services	Community Services Director	IDP situational Analysis and CBP	Facilitate construction of sport facilities	Facilitate construction of 2 sport facilities	Facilitate construction of 4 sport facilities	Facilitate construction of sport 4 facilities	Facilitate construction of sport facilities
	Ensure the provision of quality public amenities	Facilitate construction of fixed and mobile libraries	Increase in literate communities	Community Services	Community Services Director	IDP situational Analysis and CBP	Lobby and engage DSRAC	Lobby and engage DSRAC	Lobby and engage DSRAC	Lobby and engage DSRAC	Library
		Development, maintenance recreational parks and open spaces	Healthy environment to communities	Community Services	Community Services Director	SDF	Facilitate the development of recreational parks and open spaces in line with spatial development framework	Maintenance of recreational parks and public open spaces	Maintenance of recreational parks and public open spaces	Maintenance of recreational parks and public open spaces	Well developed and maintained recreational parks and public open spaces

Social Infrastructure	To facilitate provision of 2 Thusong Centers by 2016	Solicit funds for development of Thusong centers	Integrated social services	Community Services	Community Services Director		Lobby and engage relevant department in the provision of Thusong Centre	Lobby and engage relevant department in the provision of Thusong Centre	Lobby and engage relevant department in the provision of Thusong Centre	Lobby and engage relevant department in the provision of Thusong Centre	Provision of six Thusong Centre
Safe and Security Services	Create a safer environment for all municipal citizens and assets	Resuscitate the safety forum	Crime free environment	Community Services	Community Services Director	BY- Laws are in place	Establishment of safety forum	Engage relevant stakeholders to plan for safety issues within the jurisdiction	Enforcement of BY laws and other legislative matters	Enforce the laws as the constitution mandates	Crime free environment
		Provide security to council assets	Safe assets	Community Services	Community Services Director		Continuous provision of security to all municipal premises	Lobby the council to establish our own security section	Lobby the council to establish our own security section	Lobby the council to establish our own security section	Crime free environment
Cemetery	To ensure that all cemeteries are accessible, well maintained and well managed	Develop a cemetery maintenance plan for urban cemeteries	Well managed cemeteries	Community Services	Community Services Director	Existing Urban cemeteries, ad hoc Maintenance is currently done	Development of cemetery management plan	Implementation of cemetery maintenance plan	Implementation of cemetery maintenance plan	Implementation of cemetery maintenance plan	Well maintained cemetery
		Facilitate the provision of	Easy access to cemetery	Community Services	Community Services		Facilitate provision of access to	Facilitate the maintenance of access to cemetery	Facilitate the maintenance of access to cemetery	Facilitate the maintenance of access to cemetery	Well maintained access to cemeteries

		access to all cemeteries	ries		Director		cemetery					
		Development of cemetery management plan	Well managed cemeteries	Community Services	Community Services Director		Development of cemetery management plan	Implementation of cemetery management plan	Implementation of cemetery management plan	Implementation of cemetery management plan	Cemetery management	

Municipal Goals		A thriving economy capable of meeting the economic development challenges of unemployment, poverty, skills shortage and slow economic growth on a sustainable basis.									
Municipal Key Performance Area (KPA)		Local Economic Development									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
		(9) A Responsive, accountable, effective and efficient local government system									
National Outcomes		(4) Decent employment through inclusive economic growth									
		(6) An efficient, competitive and responsive economic infrastructure network									
		(7) Vibrant, equitable and sustainable rural communities and food security									
Strategic Focus Area	5 Year Objective	Programmes/ Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Annual Targets					
						Baseline	2012/13	2013/14	2014/15	2015/16	2016/17
Tourism	To promote growth and development of the tourism sector as one of the anchor industries for the economy of Mhlontlo by 2020	Implementation of tourism plan. Growing the sector focusing on product development, marketing, building tourism infrastructure, and human resource development and creating an enabling environment.	Developed infrastructure in key tourist destination i.e. Tsitsa and Tina falls	Local Economic Development	LED Director	Tourism Sector Plan and its implementation plan in place	Adoption and Implement, Monitor & review of Tourism sector plan.	Implement, Monitor & review of Tourism sector plan	Fund and Implement at least 2 key priority projects identified in the tourism sector plan Draw proposal to mobilise resources for tourism development and promotion	Planning, feasibility studies and designs Implement, monitor and review of tourism sector plan	Implement, Monitor & review of Tourism sector

Municipal Goals		A thriving economy capable of meeting the economic development challenges of unemployment, poverty, skills shortage and slow economic growth on a sustainable basis.									
Municipal Key Performance Area (KPA)		Local Economic Development									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(4) Decent employment through inclusive economic growth									
		(6) An efficient, competitive and responsive economic infrastructure network									
		(7) Vibrant, equitable and sustainable rural communities and food security									
Strategic Focus Area	5 year objective	Programmes/Projects/strategies	Output/Outcome Indicator	Indicator Custodian Department	Indicator Custodian name	Baseline					
							2012/13	2013/14	2014/15	2015/16	2016/17
SMME's and Coops	To promote enterprise development and opportunities in prioritized sectors (Agriculture, Tourism, Forestry, Trade and mining)	Completion, adoption and implementation of an SMME and cooperative sector plan	Developed enterprises in the prioritized sectors (agriculture, tourism, forestry, trade and mining)	Local Economic Development	Local Economic Development Director	Cooperatives Act	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan

	Create and enhance environment conducive to SMME and Coops growth and development	Organise, formalize and capacity of informal trade sector	Conducive environment for SMMEs and Coops	Local Economic Development	Local Economic Development Director	Data base for SMMEs delapidated structures	Implement and monitor the rehabilitation plan	Awareness and capacity building	Business plan development (Project management Unit-PMU)	Rehabilitation of the informal trade sector	Implement and monitor the rehabilitation plan
	To ensure meaningful participation of the business community in the implementation of LED Strategy	To facilitate participation of business people in organized business formations	Improve participation of organized and representatives local business organisation.	Local Economic Development	Local economic Development Director	There is stakeholders forum that focuses on the sites for rural development			Organised LED forum	Fully operational LED forum	Fully operational LED forum
	To ensure participation of civil society in the implementation of LED strategy	To facilitate establishment of representative platform for the participation of civil society in the implementation of LED strategy	Improvement in the levels of participation by organized and representative civil society organisations	Local Economic Development	Local Economic Development Director	There is stakeholder forum that focuses on the sites for rural development			Organised LED forum	Fully operational LED forum	Fully operational LED forum
	To facilitate access to finance for investment by 2020	To mobilise involvement of small business finance institutions	The increase in the total amount of finance invested in the Mhlontlo	Local Economic Development	Local Economic Development Director	There are SMMEs that have received grant from government			Lobby for funds for small businesses	Lobby for funds for small businesses	Lobby for funds for small businesses

						SEDA also providing support to the SMMES AND Coops.					
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Municipal Goals		A thriving economy capable of meeting the economic development challenges of unemployment, poverty, skills shortage and slow economic growth on a sustainable basis.									
Municipal Key Performance Area (KPA)		Local Economic Development									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(4) Decent employment through inclusive economic growth									
		(6) An efficient, competitive and responsive economic infrastructure network									
		(7) Vibrant, equitable and sustainable rural communities and food security									
Strategic Focus Area	5 Year Objective	Programmes/ Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Agriculture	Agro-processing: Promote participation of local entrepreneurs in the agricultural value chain by 2016.	Facilitate value chains on prioritized commodities	Maximum participation of local entrepreneurs in agro processing	Local Economic Development	Local Economic Development Director	None	Implement, monitor & review strategy	Implement, monitor & review strategy	Identify and support prioritized commodities	Enhance production in prioritised commodities	Value chain production
	To create and sustain opportunities for beneficiation and processing of agricultural produce by 2020										

	To coordinate for existence for e of institutions/ programmes that provides expertise in the areas of agric forestry by 2020	To engage national, provincial and local education institutions.	Number of local people who attain post school qualification to agric, forestry and tourism per annum	Local economic development	LED Director	There are efforts aimed at re-opening Tsolo College of Agriculture					
	To increase economic share of ariculture sector by 2020	Promote and enhance agricultural production for sustainable livelihoods through resource mobilization, human capital and SMME participation.	To increase the share of agricultutal sector in the economy	Local Economic Development	LED Director	SAGRIPP has developed as a programme in order to enhance agricultural production			Develop and implement SAGRIPP implementation plan	Review and Implement SAGRIPP implementation plan	Review and implement SAGRIPP implementation plan
	To increase economic share of the forestry sector economy	Promote and enhance forestry production for sustainable livelihood through resource mobilization, human capital and SMMEs participation	Increase the share of forestry sector in the economy	Local Economic Development	LED Director	There are areas that have been identified for new aforestation			To develop forestry development programme in line with SAGRIPP	Implement forestry development programme	Review and implement forestry development programme
Comprehensive Rural development programme	To facilitate creation of employment, economic growth and equality in line with the realization of improvement Mhlontlo community	Mhlontlo Rural Development Programme	Rollout of Rural Development Programmes in the identified sites	Local Economic Development	LED Director	Rollout has been done in ward 01, 02, 11, 13. Art and Craft has been rolled out in all wards	Expansion to other sites	Expansion to other sites	Coordinate , Monitor and evaluate	Coordinate , Monitor and Evaluate	Coordinate , monitor and evaluate

Municipal Goals			A Responsive, accountable, effective and efficient local government system								
Municipal Key Performance Area (KPA)			Institutional Transformation and Development								
Municipal Turnaround Strategy			To have an effective, efficient and transparent administration for the delivery of quality services								
Provincial Strategic Priority											
National Outcomes			(5) A skilled and capable workforce to support inclusive growth								
			(9) A Responsive, accountable, effective and efficient local government system								
			(12) A developmental-oriented public service and inclusive citizenship								
Strategic Focus Area	5 Year Objective	Programmes/Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Annual Targets					
						Baseline	2012/13	2013/14	2014/15	2015/16	2016/17
Human Resource Development & Employment Equity	To have a well- trained, motivated and developed workforce to deliver quality services by 2014/15	Develop and fully implement and adhere to the Workplace Skills Plan.	Enhanced quality service delivery	Corporate Services	Corporate Services Director	Workplace Skills Plan in place	Implement, Monitor & review the Workplace Skills Plan	Implement, Monitor & review the Workplace Skills Plan	100 employees to be trained	100 employees to be trained	100 employees to be trained
		Centralisation of skills development and training to be able to monitor full implementation of the WSP									
		Develop data base for the trained employees									
	To ensure the implementation of the Employment Equity Plan paying special focus in Recruitment, training and retention by 2014/15.	Factor in the Employment Equity Plan on the recruitment, training and retention.	Integrated Employment Equity Plan	Corporate Services	Corporate Services Director	Employment Equity Plan in place	Implement, Monitor & review the Employment Equity Plan	Implement, Monitor & review the Employment Equity Plan	Employ 09 people in line with employee equity target	Implement, Monitor & review the Employment Equity Plan	Implement, Monitor & review the Employment Equity Plan
		To review the municipal recruitment policy to ensure that it accommodate the provision of the EEPlan									

OHS and Employee Wellness	To ensure Safe and Healthy working environment for all employees by 2014/15	Adhere to the statutory provision of OHS and implementation of the OHS policy.	Healthy and Safe work environment	Corporate Services	Corporate Services Director	Draft OHS policy in place	Implement, Monitor & review the OHS & Employee Wellness	Implement, Monitor & review the OHS & Employee Wellness	Develop OHS plan	Implement, Monitor & review the OHS & Employee Wellness	Implement, Monitor & review the OHS & Employee Wellness
IT and Information Management & Archiving	To ensure optimal utilization of available information system tools and processes by 2014/15	Training of municipal staff and Councilors in information systems	Maximum number of people with basic working knowledge of available tools	Corporate Services	Corporate Services Director	37 councillors trained on end user computer and 15 officials trained on basic computing	Implement, Monitor & review the Management Information	Implement, Monitor & review the Management Information	Trained 15 cllrs and 10 Traditional leaders, 20 officials on end user computing. 37 cllrs on intermediate computer.	Implement, Monitor & review the Management Information	Implement, Monitor & review the Management Information
		Easy access to municipal documents by all municipal officials and councilors	Reliable information systems	Corporate Services	Corporate Services Director	Access to municipal documents by all municipal officials and councilors not yet easy. Electronic filling in place, WIFI in place, WAN in place	Monitoring the access of municipal information	Monitoring the access of municipal information	Roll out electronic filling system to all departments within the municipality	Monitoring the access of municipal information	Monitoring the access of municipal information
		To fastrack the implementation of easy access to municipal documents / information through ICT	Easy retrieval of municipal documents	Corporate Services	Corporate Services Director						

			A Responsive, accountable, effective and efficient local government system								
Municipal Key Performance Area (KPA)			Institutional Transformation and Development								
Municipal Turnaround Strategy			To have an effective, efficient and transparent administration for the delivery of quality services								
Provincial Strategic Priority											
National Outcomes			(5) A skilled and capable workforce to support inclusive growth								
			(9) A Responsive, accountable, effective and efficient local government system								
			(12) A developmental-oriented public service and inclusive citizenship								
Strategic Focus Area	5 Year Objective	Programmes/Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
		IT infrastructure and systems that support municipal administration	Adequate and reliable IT Infrastructure	Corporate Services	Corporate Services Director	Inadequate IT infrastructure WAN in place	Monitoring & review of IT Infrastructure & System	Monitoring & review of IT Infrastructure & System	Development of an integrated IT system	Monitoring & review of IT Infrastructure & System	Monitoring & review of IT Infrastructure & System
		Timeous IT solutions									
	To enhance of archiving process by introducing electronic tools by 2015/16	Improve available electronic systems	Reliable electronic filing system	Corporate Services	Corporate Services Director	Electronic Filing System in place	Monitoring & Review of registry Solution	Monitoring & Review of registry Solution	To roll out the electronic filling system to other departments	Monitoring & Review of registry Solution	Monitoring & Review of registry Solution
Labour relations	Ensure good employer employee relations by 2014/15	Functional and effective Local Labour Forum	Sound employer employee relations	Corporate Services	Corporate Services Director	Fair employer employee relations	Monitoring of Labour Forum functionality	Monitoring of Labour Forum functionality	Four (4) local labour forums to be convened	Monitoring of Labour Forum functionality	Monitoring of Labour Forum functionality

Performance Management Systems [PMS]	To ensure effective performance monitoring and evaluation of municipal plans, programmes and employees by 2014/15	Performance management system that monitors and appraises the council and all municipal employees.		Corporate Services	Corporate Services Director	Performance Management Framework in place. Draft PMS policy in place	Implementation, monitoring & Review of PMS	Implementation, monitoring & Review of PMS	Conduct quarterly performance reviews for section 54A & 56 managers	Implementation, monitoring & Review of PMS	Implementation, monitoring & Review of PMS policy
		Development of PMS and ensure its allocation to corporate services									

Municipal Goals			A Responsive, accountable, effective and efficient local government system								
Municipal Key Performance Area (KPA)			Institutional Transformation and Development								
Municipal Turnaround Strategy			To have an effective, efficient and transparent administration for the delivery of quality services								
Provincial Strategic Priority											
National Outcomes			(5) A skilled and capable workforce to support inclusive growth								
			(9) A Responsive, accountable, effective and efficient local government system								
			(12) A developmental-oriented public service and inclusive citizenship								
Strategic Focus Area	5 Year Objective	Programmes/ Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Council Support	To Improve functioning council committees by 2014/15	Provision of administrative support. Coordination of function between the Speaker, Council, Committees and Corporate Services Ensuring access to sufficient information to enable quality participation	Functioning council committees	Corporate Services	Corporate Services Director	Council Support unit with three officials and no Director	Monitor the functioning of Council Committees	Monitor the functioning of Council Committees	Four (04) ordinary council meetings to be convened	Four (04) ordinary council to be convened	Four (04) ordinary council to be convened

Strategic Focus Area	5 Year Objective	Programmes/ Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Customer Care & Bathople	To provide good customer care to all King Mhlontlo clients and stakeholders	Development and implementation of the Customer Care policy	Improved customer care	Corporate Services	Director Corporate Services	2 x receptionist. Draft customer care policy in place	Development and adoption of the policy	Development and adoption of the policy	Review, Implement and monitoring of the policy	Implementation & monitoring of the policy	Implementation & monitoring of the policy
Human Resources Management	To ensure establishment of legal section to minimize unnecessary costs	Revise the organogram to accommodate the function within the municipality	Well-functioning legal services unit	Corporate services	Director Corporate Services		Review of the organogram and appoint labour relation Officer	Review of the organogram and appoint labour relation Officer	Review of the organogram to include legal service unit	Functioning of the labour relation Office	Functioning of the labour relation Office

CHAPTER SIX: REVIEW OF MUNICIPAL SECTOR PLANS

As part of the IDP, municipalities are required to formulate specific sector plans and policies. The purpose thereof is to ensure that clear and workable plans that interface and complement each other, in support of the IDP are in place. Sector plans must be updated or reviewed annually as part of the IDP formulation and review in to ensure their alignment. As the municipality we have covered considerable ground towards formulating the required sector plans. However, and as shown in the table 26 below, a number of these plans remain outstanding or need review.

Table 26: List of Current and Outstanding Sector Plans

Sector Policy	Developed (Yes/No)	Year of Adoption	Last Review	Planned Development/Review
Water Services Development Plan (WSDP)	No			
Integrated Transport Plan (ITP)	Yes			
Integrated Waste Management Plan (WMP)	Yes	2006	2011/2012	–
Spatial Development Framework (SDF)	Yes	2007	2010/2011	2013/2014
Local Economic Development Strategy (LED)	Yes	2007	2011/2012	
Storm Water Management Plan	Yes			
Integrated energy plans	No			
Communications Strategy/Plan	Yes	2011		
Infrastructure investment plan (IIP)	Yes			
Comprehensive Infrastructure Plan (CIP)	No			
Environmental Management Plans (EMPs)	No			
Land Use Management Plan	Yes			
Housing Sector Plan	Yes	2006	2012/2013	
Forestry and agricultural development plan	No			2013/2014
HIV & Aids Plan	Yes			
Tourism development plan	Yes	2011/2012		

While critical, the development of the under-listed sector plans resides with other spheres of government.

Table 27: Delineation of Responsibility for Sector Plans

Sector Plan	Responsible Sphere of Government
Integrated Transport Plan	Local Municipality
Waste management plan	Local Municipality
Water sector plan	District Municipality
Energy management plan	Local Municipality (working closely with ESKOM)
Disaster management plan	District Municipality and local Municipality
Environmental management and conservation plan	Local Municipality

The municipality is accordingly, building capacity to develop and implement the above-mentioned sector plans as well as review the existing sector plans. Special attention will be given to those sector planning areas which are consistent with the development priorities of the Mhlontlo Municipal area and therefore alignment with other spheres of government and the IDP priorities.

6.1 Performance Management Systems

Performance Management System refers to a framework that describes and represents how the municipality's processes of performance planning, monitoring, measurement, review and reporting will take place and be organised and managed, while determining the role of different role-players

The Mhlontlo Municipality has developed a PMS framework and was adopted in December 2011. Performance contracts for the section 57 managers were signed by all section 57 managers. The individual performance contracts are not cascaded down yet up to the lower level of employees as per the framework. The policy is reviewed in order to align it with the IDP and to make it applicable to all the employees of the municipality.

6.2 Housing Sector Plan

In terms of Section 9 (1) of the National Housing Act 107 of 1997, every Municipality is required to prepare an IDP (Integrated Development Planning) as its macro development plan. In the preparation of such IDP the Municipality has to identify suitable land within its area of jurisdiction for various land uses, amongst those uses, housing is one of the critical aspects of development. The Municipality is required to prepare a Municipal Housing Sector Plan to guide housing related investment decisions as well as interplay of housing with other land uses. The Municipality is in process of reviewing its Housing Sector Plan where the Informal Settlements sections will be aligned to the Migration Plan.

6.2.1 Purpose of Housing Sector Plan

- (a) To ensure effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- (b) To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- (c) To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- (d) To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.
- (e) To ensure that there is a definite housing focus for the IDP.

In order to realise provisions of the above legislative prescripts, Mhlontlo local municipality developed its own housing sector in 2006 – 2010. In terms of this sector plan, the municipality has its housing backlog estimated at approximately 28000 units spread across the municipal area covering both urban and rural settlements. In terms of the 2001 – 2006 provincial housing provision targets; the Eastern Cape had prioritised the urban areas with approximately 160 000 housing units projected and mere 40 000 units planned for rural areas. This disproportion may be indicative of the provincial strategic direction and thus commands of municipalities to as much as possible align their housing plans or projection to be within reasonable limits in terms of numbers. The actual allocation during that period for Mhlontlo was less than 6000. However, while the housing demand covers all settlements within the municipal area, the municipality prioritised provision of 2884 housing units for the 2006 – 2011 planning period. There is also a portion of land set aside for the high and medium income housing near the Tsolo Junction.

There are a total of 1250 informal housing structures in the municipality in three settlements. The largest number of informal sharks is in Langeni Forest which has 500 sharks and had grown rapidly since 2004 followed by Qumbu (400) and Tsolo (350). All informal settlements have no bulk services.

6.2.2 Housing demand profile of the municipality

The previous Housing Sector Plan indicates that the demand for housing in the municipality, according to DHP, is 27 773 of which rural demand is 26 088 and urban demand 1 685. The greatest need for housing is in the rural areas although currently, there are no on-going rural housing projects. Available information does however not quantify the exact nature of the backlog in terms of the various categories and associated instruments, i.e. informal settlement upgrade, social and rental, project linked individual, military veterans etc.

6.3 Local Economic Development Strategy

The current LED Framework was developed and adopted by Council in 2007. Given that the situational analysis that gave rise to its formulation remains the same in many respects, the strategy, its priority objectives, and projects remain relevant. As the municipality however, we recognise that

there has been several developments both nationally and locally which have a direct impact on how we pursue our development agenda, including economic development. Such include the new priorities contained in the MTSF as well as the selection of Mhlontlo as the Rural Development Pilot Site.

These developments warrant the review of the LED strategy with specific focus on alignment of objectives as well as appraisal of programme targets and focus. In this regard, the review of the strategy has been added to the priorities for the 2014/2015 financial year.

The LED Strategy is aligned with the National, Provincial and District objectives. This includes the Spatial and economic investment choices.

The LED Department has 13 posts in its organisational Structure, 7 of those posts are filled and 4 is vacant where 3 of the posts are funded.

As the Mhlontlo Local Municipality was announced as pilot site for rural development, the rural development is under the directorate of LED. The LED forum was converted to be a broader forum that is Council of Stakeholders. It is composed of Senior Officials from Sector Departments, Mhlontlo Municipality Managers, Portfolio Councillors, Mayor, Community Development Workers, Traditional Leaders, Council of Churches, Government Parastatals and other Community Based organisation. The role of the Council of Stakeholders is to play and oversight roll to the rural development programmes.

6.4 Disaster Risk Management Policy Framework

The term disaster risk management refers to integrated, multisectoral and multidisciplinary administrative, organisational, and operational planning processes and capacities aimed at lessening the impacts of natural hazards and related environmental, technological and biological disasters. Disaster Management Act 57 of 2002 has defined. The Mhlontlo Local Municipality has adopted the District Disaster Risk Management Policy Framework in order to develop the Mhlontlo Disaster Plan which is still under development.

6.5 Human Resources Development Strategy

The Human Resource Strategy was developed and approved by the council during 2011/2012 with the council resolution **13-12/12/2011**, in its many forms and formats, provides an understanding of when and how team members will be applied to the projects and to what degree. A natural extension of the projects plan, the human resource strategy defines what resources are required to achieve the programme goals. A Human Resources Development Strategy should reflect on staff establishment policy, critical and scarce skills required by the Municipality to be able to implement its strategic objectives. The Strategy should include *inter alia* recruitment, replacement and retention policies. It should also build internal and external capacity through training, development and skills development.

6.6 Communication Strategy

This Communication Strategy is a guiding framework for communication in the Mhlontlo Local Municipality and their agencies. An integrated and effective local programme will also serve as a backbone of an overall societal communication system that will be anchored by growing partnership among various sectors of civil society.

Institutional challenges to be addressed by this strategy include ensuring that the centre led by the Mhlontlo Local Municipality assisted by the Office of the Premier and GCIS in the Province is able to hold and lead local communication and Information Management System. The Communication Strategy is still at Draft Stage.

CHAPTER SEVEN: PROJECTS

National KPA: Good Governance	Strategy: Fully mainstream special programmes within the municipality. Establishment of Special Programmes statutory structures at ward level.				Project Name: Special Programmes		
Key Performance Indicator: Reflection on special programmes by all departments. Integrated functional structures.	Municipal Objective: Improve effectiveness and efficiency of special programmes				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Development of a Special Programmes Mainstreaming Strategy	R120 000	Mhlontlo LM	R120 000				
HIV/Aids	R300 000	Mhlontlo LM	R300 000	R350 000	R400 000		
Youth	R500 000	Mhlontlo LM	R500 000	R550 000	R600 000		
Children	R250 000	Mhlontlo LM	R250 000	R300 000	R350 000		
Elderly	R100 000	Mhlontlo LM	R100 000	R120 000	R140 000		
Disabled	R150 000	Mhlontlo LM	R150 000	R180 000	R210 000		
Women	R100 000	Mhlontlo LM	R100 000	R130 000	R150 000		
Moral Regeneration	R50 000	Mhlontlo LM	R50 000	R75 000	R100 000		

National KPA: Good Governance	Strategy: Development and administering of Community Programs				Project Name: Community Services and Sports programs		
Key Performance Indicator: Community involvement in community services programs	Municipal Objective: Improve effectiveness and efficiency of Community Services				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Refuse Collection and Disposal	R4 900 000	Mhlontlo LM	R900 000	R1m	R1,1m		
Traffic Control	R1 500 000	Mhlontlo LM	R400 000	R500 000	R600 000		
Animal Control	R1 800 000	Mhlontlo LM	R500 000	R600 000	R700 000		
Sport, recreation, arts and Culture and Libraries	R1 800 000	Mhlontlo LM	R500 000	R600 000	R700 000		
Crime Prevention Programs	R1 200 000	Mhlontlo LM	R300 000	R400 000	R500 000		
Cemeteries Management program s	R600 000	Mhlontlo LM	R200 000	R200 000	R200 000		
Disaster Management Programs	R1 200 000	Mhlontlo LM	R350 000	R400 000	R450 000		
Construction of Vehicle testing station/centre	R2 200 000	Mhlontlo LM	R1 200 000	R1m			
EPWP	R32 100 000	Mhlontlo LM	R1 221 000				

National KPA: Institutional Transformation and development	Strategy: To have an effective, efficient and transparant administration for the delivery of quality services				Project Name:		
Key Performance Indicator: Enhance the quality of service delivery	Municipal Objective: To have well trained, motivated and developed workforce to deliver quality services				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Policy review	R600 000	Mhlontlo LM	R600 000				
Development of new By-laws	R200 000	Mhlontlo LM	R200 000				
Development of communication Strategy	R250 000	Mhlontlo LM	R250 000				
Training of Councillors	R1 500 000	Mhlontlo LM	R1 500 000				
Training of Ward Committees	R1 000 000	Mhlontlo LM	R1 000 000				
Training of Officials	R1 600 000	Mhlontlo LM	R1 600 000				
Review of the Employment equity plan	R50 000	Mhlontlo LM	R50 000				
Development of OHS Plan	R180 000	Mhlontlo LM	R180 000				
Roll-out of electronic filing system and integrated IT Infrastructure	R500 000	Mhlontlo LM	R500 000				

National KPA: Local Economic Development	Strategy: Promote and enhance agricultural production for sustainable livelihood through resource mobilisation, human capital and SMME participation.				Project Name: SAGRIPP, MEDEP, TOUREP, CRDP		
Key Performance Indicator: Developed enterprises in the prioritized sectors (Agriculture, tourism, forestry, trade and industry.	Municipal Objective: Thriving economy capable of meeting the economic development challenges of unemployment, poverty, skills shortage and slow economic growth on a sustainable basis.				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Coop Development Centre Construction (W-25)	R10.5m	Mhlontlo LM	R3m	R3.5m	R4m		
Coop Development Centres resources	R7.5m	Mhlontlo LM	R2m	R2.5m	R3m		
Tourosn Promotion & Development	R10.5m	Mhlontlo LM	R3m	R3.5m	R4m		
Promotion & Development SMMEs	R1.850m	Mhlontlo LM	R500 000	R650 000	R700 000		
Rural Development	R500 000	Mhlontlo LM	R500 000	R650 000	R700 000		
Conservation Agricultural Technology (W-13)	R3.3m	DRDLR	R3.3m				
Gqunu road (W-17)	R60m	DRDLR	R60m				
Stock dams (W-02 & W-13)	R5m	DRDLR	R5m				
Multipurpose centre (Ngxakolo-W 13)	R2m	DRDLR	R2m				
Siyazondla (49 HH Qumbu & 59 HH Tsolo)	R444 444	DRDAR	R444 444				
Cropping programme	R6 404 200	DRDAR	R6 404 200				
Nyamezela wool growers (Livestock)	R850 000	DRDAR	R850 000				
Zodwa Agric Coop (Piggery)	R225 000	DRDAR	R225 000				
Tina falls Resort	R20m	DEA	R20m				
Waste recycling	R10m	DEA	R10m				
Bele Farm Business (W-7)	R5m	Anglo gold, DRDAR, Ntinga	R5m				

National KPA: Infrastructure Development and Planning	Strategy: Construction of Access Roads. Facilitate connection of household electricity. Facilitate provision of decent houses. Facilitate construction of sport facilities.			Project Name:			
Key Performance Indicator: Universal access to electricity. Access to clean water. Sustainable Human settlement. Well maintained municipal building	Municipal Objective: To ensure Universal access to basic household, community and social services			Location: Mhlontlo LM			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Ntsiqo A/R	R40 675 000	Mhlontlo LM	R40 675 000				
Mahlungulu A/R		MIG					
T195 – Mpetsheni A/R		MIG					
Etna Church – Makuleni		MIG					
Upgrading of Gunqwana A/R		Mhlontlo LM					
Mahlubini – Qolombane A/R		MIG					
Gunqwana A/R		MIG					
Hukwini-Mpendle-Sixhotyeni A/R		MIG					
Maqhubini A/R		MIG					
Ngqakaqeni Bridge		Mhlontlo LM					
Surfacing of Tsolo Streets		MIG					
Surfacing of Qumbu Streets		MIG					
Ntsiqo sport field		MIG					
Upper Mjika sport field		MIG					
Tina falls sport field		MIG					
Shawbury sport field		MIG					
Upgrading of Mvumelwano sport field		Mhlontlo LM					
Amacwera phase 3		INERP					
Qumbu Town Hall (New)		MIG					
Tsolo Town Hall (Revamp & Maintenance)		Mhlontlo LM					
Township Establishment		Mhlontlo LM					

National KPA: Financial Planning and Management	Strategy: Development of credible budget in-line with relevant legislation				Project Name: Financial Management		
Key Performance Indicator: compliance with budgeting and financial reporting regulations	Municipal Objective: To ensure universal household, community and social services				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2014/15	2015/16	2016/17	2017/18	2018/19
Free Basic Alternative energy	R10 882 009	Mhlontlo LM	R3 426 061	R3 628 199	R3 827 750		
Free Basic electricity	R4 990 942	Mhlontlo LM	R1 571 334	R1 664 043	R1 755 565		
SCM data base review	R476 437	Mhlontlo LM	R150 000	R158 850	R167 587		
Audit fees	R6 811 777	Mhlontlo LM	R2 144 601	R2 271 132	R2 396 044		
Training on standard procedure	R317 624.50	Mhlontlo LM	R100 000	R105 900	R111 725		
Update asset register	R10 958 620.50	Mhlontlo LM	R900 000	R953 100	R1 005 520.50		
Debtors & Data cleansing	R317 624.50	Mhlontlo LM	R100 000	R105 900	R111 724.50		
Annual Financial Statement	R2 602 900	Mhlontlo LM	R1 000 000	R780 000	R822 900		

CHAPTER EIGHT: FINANCIAL PLAN

8.1 Government Grant and Subsidies

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS ¹	Preceeding Year		Preceeding Year		Medium Term Revenue and Expenditure Framework		
	2012-2013		2013-2014		Budget Year	Budget Year +1	Budget Year +2
					2014-2015	2015-2016	2016-2017
	Adjusted Budget R'	Full Year Forecast R'	Adjusted Budget R'	Full Year Forecast R'	Budget R'	Budget R'	Budget R'
	A	B	C	D	E	F	G
<u>National Grant Allocations²</u>							
1. Equitable Shares	93,174.00	93,174.00	103,515.00	103,515.00	127,895,000	159,395,000	158,578,000
2. Finance Management Grant	1,500.00	1,500.00	1,650.00	1,650.00	1,800,000	1,850,000	1,900,000
3. Municipal Systems Improvement Grant	800	800	890.00	890.00	934,000	967,000	1,018,000
4. Municipal Infrastructure Grant (MIG)	34,376.00	34,376.00	37,221.00	37,221.00	40,675,000	42,579,000	44,392,000
5. Electrification Programme Direct	15,000.00	15,000.00	20,484.00	20,484.00	4,000,000	20,000,000	15,000,000
6. EPWP	1,058	1,058	1,025.00	1,025.00	1,221,000	0	0
Sub Total - National Grant Allocations	152,241,000	152,241,000	171,884,000	171,884,000	176,525,000	224,791,000	220,888,000
1 Library Support	0	115	115	115,000	170,000	170,000	170,000

2 Property rates	775	775	775	0	0	0	0
3 LED-DEDEA	0	0	0	0	0	0	0
4 LED Capacity Building	87,990	87,990	87, 990	0	0	0	0
5 Traditional leaders support	0	0	0	0	0	0	0
Sub-Total Provincial Grants Allocations	977,990	977,990	977,990	115,000	170,000	170,000	170,000
TOTAL GRANTS THAT ARE DIRECTED TO MHLONTLO MUNICIPALITY			153,218,000	171,999,000	176,695,000	224,961,000	221,058,000

8.2 Revenue by Source

REVENUE BY SOURCE	Preceeding Year		Preceeding Year		Medium Term Revenue and Expenditure Framework		
					Budget Year	Budget Year +1	Budget Year +2
	2012/13	2012/13	2013/14	2013/14	2014/2015	2015/2016	2016/2017
	Approved Budget	Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
	R'	R'000	R'000	R'000	R'000	R'000	R'000
	A	B	C	D	E	F	G
Operating Revenue by Source					5.6%	5.4%	5.4%
Property rates	7,967,255	7,967,255	7,967,255	7,967,255	7,970,738	8,401,158	8,854,820
Service charges - refuse removal from tariff billings	172,669	172,669	172,669	172,669	571,785	602,661	635,205
Other income	15,585,228	15,585,228	15,585,228	15,585,228	17,600,985	16,589,235	16,809,861
Government grants & subsidies	171,884,000	171,884,000	171,884,000	171,884,000	176,695,000	224,961,000	221,058,000
Total Revenue By Source	195,609,152	195,609,152	195,609,152	195,609,152	202,838,507	250,554,054	247,357,886

8.3 Operational Budget

EXPENDITURE BUDGET BY TYPE & DEPT.	SALARIES	GENERAL EXPENSES	REPAIRS	TOTAL OPEX	CAPITAL EXPENSES	TOTAL EXPENDITUR E	% PERC.
DEPARTMENTS							
MAYOR'S OFFICE	775 075	1 005 462	60 000	1 840 537	0	1 840 537	1
SPEAKER'S OFFICE	14 580 031	3 778 462	20 000	18 378 493	700 000	19 078 493	10
MM	2 101 789	6 355 907	0	8 457 696	0	8 457 696	4
STRATEGIC SERV	3 585 350	2 477 462	20 000	6 082 812	0	6 082 812	3
BTO	8 647 291	22 037 445	60 000	30 744 735	0	30 744 735	15
CORPORATE SERV	15 089 361	3 727 024	60 000	18 876 385	1 590 000	20 466 385	10
LED	3 946 271	3 865 462	60 000	7 871 733	5 370 000	13 241 733	7
COMM SERV	21 246 928	7 303 304	681 000	29 231 232	2 900 000	32 131 232	16
INFRA, PLAN &DEV	10 258 933	6 027 900	4 186 065	20 472 898	46 803 000	67 275 898	34
	80 231 028	56 578 428	5 147 065	141 956 521	57 363 000	199 319 521	100

CHAPTER NINE: LIST OF COMMUNITY NEEDS

Below table 28 is the detailed list of community needs as captured during the community outreach and ward-based planning process.

Table 28: List of Ward-Based Needs

WARD NUMBER 01		
Service	Location	Need
Community Facilities	Majaba	Police Station
Electricity	All ward villages	In progress
Roads	Nkalweni to Mfuleni A/R, Batyi A/R, Lukhalane A/R, Mkhumenge A/R, Zinkamplni A/R, Phantsi to Mnga A/R, Majaba to Nonkobongo A/R, Nogqadaza A/R, Ntywenka A/R, Balasi to Mkhwezweni A/R, Luqolweni to Mthontsi A/R, Mdeni A/R, Loqolweni to Khamfazi A/R, Nkampini to Ntywenka A/R, A/R to the Projects Faraday A/R, Jecweni A/R, Majaba A/R, Balasi A/R, Luqolweni A/R, T-208, T-460, T-205 Lukhalane, Majaba, Inxu Nkalweni to Mfuleni A/R	Road Construction Maintenance In progress
	Qhwakele Bridge	Bridges
Water	Mnga, Mbinja, Lukhalane, Batyi, Phantsi Luqolweni	New connection is in progress Maintenance
Sanitation	All ward villages	In progress
Schools	Zanemvula JSS, Laduma Izulu SPS, [Singeni, Mthonyameni (New school)] Mpoza SPS, Richard Samela JSS, Hobe SPS, Madumelwano JSS Mcheni SPS High school	Mud School Extension of Classes In progress In progress
Fencing	All ward villages	Fencing of grazing and ploughing Fields.
Housing	All ward villages	Rural Housing is in progress
LED	Mnga, Nkampini, Jecweni Qolweni, Mnga, Jecweni, Mpoza, Jenca	Land Care Thobinceba Poultry, Garden Projects, Ratyela Community garden, Mpoza Community garden, Sithethelele Poultry, Sinovuyo Garden Project

Housing	All ward villages	Rural housing
LED	Zibungu Mqobiso Cheka Kambi 20 A Nombodlela Ncithane Mthonyameni All ward villages Mthonyameni	Masizakhe poultry, Gedlindlala Coop, Masibonisane wool growers, Siyazama Veg. Sizakancane Bee keeping Madliwa brick making, Mari Ant Piggery. Siyakha coop, Bafazi coop Zizamele veg. Masakhane Proj. Stock dam, Sheep dipping tank, Dipping tank rehabilitation Shearing shed
Telecommunication	Vodacom	Poor network coverage
Poverty relief projects		
Community awareness projects		HIV/AIDS awareness campaign, Alcohol abuse, child abuse, drug abuse
Community halls MPCCs	All ward villages	
Health facilities	Ncithane	Clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 03		
Service	Location	Need
Community Facilities	All ward villages Nomhala	Fencing of Graveyards Pay point
Electricity	Manka, Nomhala, Qudu, Nkwankca	Electricity extension
Roads	Bele Zingcuka, Manka, Jojweni St Cuthbert's Manka,	Zingcuka A/R, Manka A/R, Jojweni A/R, St cuthberts A/R, Clinic to Nkwankca to Nomhala, Nomadolo to Manka, Gqiyane A/R, Quthu-Bantubabi A/R, Mgweqe A/R, Sqithini A/R Speed humps
Water	Mangolweni Ngcolosi 12, St cuthberts, Zingcuka, Nkanini	Water supply Maintenance (Water from Cheka)

	Old scheme in Gqiyane	Maintanance
Sanitation	Jojweni, St cuthberts, Nomhala, Ngcolosi 12, Manka,Mangolweni	Extensions
Fencing	Ngcolsi 12, St cuthberts, Zingcuka, Nomhala	Mealie fields
Schools	Manka JSS, Zamukulungisa SPS, Gqiyana SPS, Ranuga SPS,	Mud school Rehabilitation of School
Housing	All ward villages	Rural housing
LED	All ward villages All ward villages St Cuthbert's Nomhala St cuthberts	Stock dam Sheering Shed, Land Care Khulani veg. Masikhule Poultry Project Masenzeni Zingcuka coop. Stock Dam, Bathobele cultural project Dipping tank, Tree planting Working wetlands
Poverty Relief	All ward villages	Lima
Community Awareness Projects	All ward villages	Drug and Alcohol abuse
Health Facilities	Ngcolosi 12, Nomhala Zingcuka	Clinic Renovation of clinic
Sports Facilities	All ward villages Zingcuka Ngcolosi 12	All sport code Zangoma Cultural group, Zanokhanyo Cultural, Siyakhanyisa Cultural, Bhekani cultural,
Day care centre	All ward villages	

WARD NUMBER 4		
Service	Location	Need
Community Facilities	Hlangani, Qolombana Mngceleni	Police Station Old age home
Electricity	Mhlubini, Mngceleni, Hlangani, Gungululu, Qolombane, Gotyibeni	Extension
Roads	Mhlubini to Qolombane A/R, Mhlakulo A/R, Mahlubini A/R, Hlangani A/R, Zwelitsha A/R Mahlubini, Mhlakulo, Mngceleni, Gungululu,	New Construction Maintenance

	Gotyibeni and T210, Mahlubini bridge, Gotyibeni bridge, T216 (Lower Gungululu)	
Water	Hlangani, Zwelitsha, phase 2 Gotyibeni and Mgceleni – Phase 1 Qolombane, Mahlubini, Gungululu, Hlangani Sdwadweni Phase 2	Water connection Maintenance Connection and addition of taps
Sanitation	Qolombane, Gotyibeni, Zwelitsha Mhlakulo	extensions Rebuilding of toilets
Schools	Nqabashe JSS, Dubilingqanga SPS, KT Mchasa SSS, Hlangani JSS, Tshongweni SSS, Mhlakulo JSS, Gotyibeni JSS	Mud schools Extension of classes and Maintenance
Fencing	All villages	Mealie fields and grazing land
Rural Housing	All 7 villages All villages	Rural housing Disaster housing
LED	Gungululu Qolombane Mhlakulo Hlangani Gotyibeni Zwelitsha/Mngceleni All villages Qolombane, Mhlakulo Mahlubini, Hlangani, Gotyibeni Gotyibeni, Qolombane All villages All villages	Gungululu farmers, Zamazizi Piggery and poultry, Gungululu woolgrowers association. Sinenjongo Coop, Qolombane Coop, Lingelethu Barkery, Sithandaneni poultry, Zizamele Veg, Siyakhulu Garden, Makusetyezwe Brick making, Ndiyazama sewing Mshini poultry, Sophumelela prod, Philasande Poultry and Garden, Bazukulwana cultural group, Siyakhana arts and craft Hlangani garden Masikhule Poultry, Vukani Sheep Prod. Lingathina cultural group Masikhule veg. Phakamani bafazi Veg. Sheep dipping tank Dipping tank maintenance Construction Dipping tank Sheering shed Stock dams Land care
Telecommunications	Hlangani, Mahlubini, Qolombane, Gotyibeni, Mhlakulo Qolombane, Mngceleni	Poor network coverage and TV pole Post office

Poverty Relief	Mngceleni	Mngcunube, Lima, EPWP
Community Awareness Projects	All ward villages	HIV/Aids, Environment, Crime, Drug and Alcohol abuse, Circumcision
Community Halls And MPCCs	All Villages Mhlakulo	Thusong service centre
Health Facilities	Mahlubini, Gotyibeni, Mngceleni, Hlangani Gungululu clinic, Mhlakulo clinic	Clinic Renovation
Pre-schools and Daycare Facilities	Gotyibeni, Mhlakulo, Mahlubini, Qolombame, Mngceleni, Gungululu Gungululu, Mahlubini, Gotyibeni, Mhlakulo, Mngceleni	Preschool Day care
Sports Facilities	All ward villages Qolombane	All sport code facilities, Sports field Omama besingqi, Masithembe Cultural group

WARD NUMBER 05		
Service	Location	Need
Community Facilities	Lower Mjika Matyeba, Xabane, Madwaleni, Tiki-tiki	Police station Old age Home
Electricity	Trustin, Tshashu, Madwaleni, Taleni, Matyeba, Marambeni, Ntabalanga	Extension
Roads	T213 to Tikitiki, T213, T213 to Matyeba JSS, Madwaleni to Hlangani, T213 to Sonqishe, Xabane A/R, T213 to Mdlanongwe, Mdlanongwe to Ngudle, T213 to Ngudle, T187 to Cameron Ngudle, T213 to Gwebindlala, Tiki-tiki to Madwaleni, Nomlala to Gwebindlala, Tiki-tiki to Xabane, Tyeni A/R, T213 to Memka, Konco to Vayineki, Ntabelanga A/R, T221 All T-roads to be black surfaced, Tiki-tiki to Goqwana, Tiki-tiki streets, T210 to Tiki-tiki, Rabe Church to Mealie fields(tiki-tiki) Madwaleni river, Tikitiki river, Welakabini river, Mjika river, Mdlanongwe river x2, Bedlane river (T221), Matyeba river, Portal Bridges Tiki-tiki Drftts at Tiki-tiki-Tyeni Tiki-tiki and Tyeni	Construction of roads Bridges Walkways
Water	All ward villagesMmangunkone & Prince	Maintenance
Sanitation	All ward villages	Additions/maintenance
Schools	Cameroon Ngudle SSS, Xabane JSS Gcisa High	Mud school Extension of Classes Renovation & Hostel
Fencing	All ward villages	Mealie fields and Grazing land & Cementries

Housing	All villages	Rural Housing
LED	Xabane Matyeba Madwaleni Lower Mjika Tiki-tiki Tyeni Tiki-tiki	Bhongolwethu wool growers, Amambara Veg. Mvuselelo Crop Production, Sheering shed Matyeba wool growers, Matyeba poultry, Bakery, Sinovuyo old age, Thula uzobona development group, Gwebindlala Project, Matyeba Co-op, Heering shed Masizakhe veg. Sivusele Project, Senzele Project, Gudla veg., Sophumele Support Group, Siyavuya old age (Art, Sewing and Pottery), Masilingane Coop, Siphakamise veg, tiki-tiki wool growers, Sinendalo trading enterprise, Nontuthuzelo Old Age Mlungisi piggery project, Commemoration of Thobile Bam and Heritage Site. Sesifikile Coop, Sikhulise poultry, Aforestation, Sheep dipping tank, Stock dams and Dipping tank
Telecommunications	Madwaleni, Xabane, Tyeni, Tiki-tiki	Poor network coverage (MTN, Vodacom, Cell C, SABC)
Poverty Relief/ Drought relief	All ward villages	
Community Awareness Projects	All ward villages	Stork theft, HiV & Aids, Environment, Alcohol and drug abuse, Crime, veld fires
Community Halls MPCCs	All ward villages Tyeni	
Health Facilities	Matyeba, Xabane, lower Mjika, Tyeni	Clinic
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 06

Service	Location	Need
Community facilities	Goqwana, Gunqwana, Mdibanisweni Tsolo villages, Goqwana Tsolo villages	Satellite police station Old age home Taxi rank, Grass cutting Public toilets, Refuse removal
Electricity	Mdibanisweni, Goqwane, Gunqwana	Extensions
Roads	Gunqwana to Ntibane farms	New Construction

	A/R, Mdibanisweni A/R, Gungqwana to Ntibane Farms A/R, Mdeni to Ntibane School, Mdibanisweni A/R, T210, T199, Crss Bow Homes streets & Black Surfacing, Goqwana A/R	Maintenance
Water	Gunqwana, Ntibane Farms, goqwana Tsolo Village, Mdibanisweni,	Water supply Maintenance & purification
Sanitation	Tsolo village Gongqwana, Mdibanisweni, Ntibane farms, Goqwana	No toilets Maintenance and Addition of toilets.
Schools	Wonderland JSS Nombizo JSS, Tsolo high	New Construction Extensions
Fencing	Mdibanisweni, Goqwana, Gungqwana, Ntibane farms, Mdibanisweni, Tsolo village, Commonage Small farms	Mielie fields and Grazing lands Maintenance
Housing	All ward villages Tsolo Junction	Rural Housing New Housing Development
LED	Tsolo villages Mdibanisweni Tsolo village Goqwana All ward villages Mdibanisweni, Goqwana, Goqwana, Mdibanisweni, Ntibane farms Ntibane farms, Goqwana Gungqwane, Mdibanisweni, Gungqwana, Goqwana, Ntibane farms	Sinakho Coffine Man., Sqalo proj. Phakamani retired pro. Siphosethu proj Syaphambili wood workers Masizakhe baking project Sheep dipping tank Dipping Tank Sheering shed Stock dams Maintenance Landcare
Telecommunication	Goqwana, Gungqwana, Mdibanisweni	TV network Post office
Poverty relief projects	Goqwana, Cross Bow Homes All ward villages	Mngcunube, Siyazondla Phezukomkhono
Community awareness projects	All ward villages	Crime, Environment, Drug and Alcohol Abuse, HIV/Aids, Consumer
Community halls	All ward villages	

MPCCs	Mdibanisweni hall	Maintenance
Health facilities	Goqwana Mdibanisweni, Gungqwana, Ntiibane Farms	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 7		
Service	Location	Need
Community Facilities	Ntshiqo, New Homes New homes, Ntshiqo Rehabilitation Centre	Satellite Police station Old age home New Homes
Electricity	Phumla, Ntshiqo, Azania Ext 7, Chris Hani New homes and Town, Godzi	Extension connection Maintenance of Street lamps & high mast lights
Roads	Mayaluleni to Bele- Zingcuka, Mbozwana and Mayaluleni to Pumla Mqetshwa, Ntshiqo streets, Ntibane farms, Chris Hani Streets Ext 7, Ncogweni to Myaluleni, Bakhangele Pre-school to R396, Phumla Mqeshwa, Mazizini A/R, A/R to Nkqubela Daycare Ntibane Farms, Lutuka, New homes, Mayaluleni, Bakhangele to Macangceni, Godzi-Tyeni Mangunkone to Godzi, Bakhangele to Macangceni New homes, Mayaluleni	New Roads Maintenance Bridge Storm water drainage
Water	Ntibane Farms, Ncongweni Ntshiqo New homes, Azania, Chris hani, Phumla, Mayaluleni	New water supply In progress Addition of Taps
Sanitation	Chris Hani, Azania Ntshiqo2, Ntibane farms, Mazizini Mayaluleni. New Homes	New toilets Rehabilitation Flushing toilets
Schools	Mbozwana PS, Mandela JSS, Zwelonke JSS, Gondzi JSS, Ntshiqo JSS, Residency JSS	Removal Mud structure Extension and renovation New school

	New homes (SPS)	
Fencing	Ntshiqo, Ntibane farms,	Mealie fields
Housing	Extension 7, All villages RDP housing Ext 6	Rural housing Maintenance
LED	Ntshiqo Godzi Tsolo village New homes Mayaluleni Ntibane farms Godzi Ntshiqo Ntibane Farms, ntshiqo Mayaluleni	Izandla Zethu Project, Sihamba sonke baking project, Ntshiqo maize project, Ntshiqo wool growers, Philisizwe poultry project Wathintumama veg. project, Siyaphambili youth project, Mijelo Yamanzi piggery, Masihlume dual purpose garden Tsolo community women, Wayside greening project, Tsolo Brick Making Project Tsolo city poultry project, Masincedane brick project, Masithembe poultry project Masikhuphuke irrigation Dipping tank Dipping tank Maintenance Land care
Telecommunications	Ntsiqo, Godzi, New Homes	Post office
Poverty Relief	All ward villages	Massive food, Ntinga, Phezukomkhono, Siyazondla, Skills Centre to Address unemployment
Community Awareness Projects	New homes, Mayaluleni Ntshiqo, Godzi	HIV/Aids, Domestic violence Drug abuse all high schools, Crime prevention
Community Halls And MPCCs	All villages Ntsiqo	Ward centre
Health Facilities	Ntsiqo, New homes Ntibane farms, Mayaluleni, Godzi, Chris hani	Clinic Mobile clinic
Pre-schools and Daycare Facilities After care	Mayaluleni, Zintutyaneni, Ntibane farms New homes, Luqolweni, Nkqubela, Pumla New homes	

Sports Facilities	All villages	All sport codes
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WARD NUMBER 8		
Service	Location	Need
Community Facilities	Qebeyi, New rest Qanda, Mbokotwana, Mfabantu Holton All ward villages	Old age home Orphanage home Police station Fencing of Graveyards
Electricity	Mbokothwana, Gomeni, Mfabantu, Qanda (Eskhotheni), mhlabathi Tsitsa's gate, Mbokothwana	Extension connection Apollo light
Roads	Tar-road from N2 to Mbokothwana, N2 to Ntshintshi, Qanda via Dilizintaba to New rest, Mbokotwana to Tsolo, Ntshintsi via N2 to Dilizintaba, Dilizintaba to Qebeyi, Qanda to Dr Malizo, Qebeyi to Tsitsa gate, Qebeyi to Rini, Speed humps at Newrest N2 to Bekameva, Mhlabathi A/R Nomalwashu bridge, Xhokonxa bridge	New construction Maintenance
Water	Mfabantu, Mbokotwana Qanda, Esikhotheni, Gomeni, Mbokotwana, New rest, Mhlabathi	New water connection Maintenance addition of taps
Sanitation	All ward villages	Replacement and addition
Schools	Mmangweni SPS Gomeni JSS, Dalukhanya JSS, Mbokothwa JSS, Mhlabathi JSS, Somagunya SSS, Qebeyi JSS. Mcwakumbana JSS., Bekameva JSS, Thembeni SPS Holton	Removal of mud school Extension of classes Skill centre
Fencing	All ward villages	Mealie fields
Housing	All ward villages	Rural housing
LED	New rest Qanda Gomeni Mmangweni All ward villages Gomeni, New rest, Xhokonxa Mhlabathi, Qanda, Mfabantu (maintenance) All ward villages All ward villages All ward villages	Likamvalethu poultry Masincedisane and Craft, Qanda Herchary Lagcibeni coop Sheering shed Sheep dipping tank Dipping tank Land care Stock dams and Maint. Aforestation

Telecommunications	Mfabantu Gomeni and Mfabantu	All mobile phones SABC
Poverty Relief	All ward villages	Lima, Mngcunube, Phezukomkhono
Community Awareness Projects	All ward villages	Crime, HIV & Aids, Environment, Centre for support groups
Community Halls And MPCCs	All ward villages except Qanda Holton	Thusong centre
Health Facilities	Mhlabathi, Mgababa Gomeni, Mfabantu, Qebeyi, Qanda	Clinic Mobile clinic
Pre-schools and Daycare Facilities	All ward villages Except Mfabantu.	Maintenance
Sports Facilities	All ward villages Library	All sport codes

WARD NUMBER 09		
Service	Location	Need
Community facilities	Lotana Shawbury, Lotana	Police Station, old age home Grave yard
Electricity	Lotana, Ngqubusini, Shawbury	Extensions
Roads	T170, Bhanti A/R, black surfacing of T170 to Tina Falls Police station, Ntilini A/R, Mrhotshozweni A/R T167, Ngqubusini A/R River side, Bhukuqu	Construction Maintenance Bridge
Water	All ward villages	Addition of taps, Maintenance
Sanitation		
Schools	Thandanani SSS, Lotana JSS Notsweleba JSS, Shawbury JSS, Ngqubusini JSS	Removal of Mud Structures Addition of classes
Fencing	All ward villages	Mielie fields and grazing land
Housing	All ward villages	Rural Housing
LED	Lotana Shawbury	Nqubela food security, Velasakhono old age, Lotana barkery and piggery, Ikamvalethu veg. ilitha lamakhosikazi veg. Vukuzenzele

	Shawbury, Lotana, Ngqubusini Lotana, Shawbury, Ngqubusini	veg. Vukani Proj. Landcare Dipping tank
Telecommunication	Lotana	Post office
Poverty relief		
Community awareness projects	Lotana, Ngqubusini	Ntlalonto family preservation programme
Community halls MPCCs	All ward villages	
Health facilities		
Pre-schools and Daycare centres	All ward villages	Pre-schools
Sport facilities	All ward villages	All codes

WARD NUMBER 10		
Service	Location	Need
Community Facilities	Mampingeni village, Gandana, Mncetyana	Old age home
Electricity	All ward villages	Extensions
Roads, Bridges and storm water pipes	Extension of Dumba A/R to New Dumba settlement, Tsonyana A/R, Nkanti A/R, Nkanti to Mdeni, T167 to Gonqa, Nkanti to Mmangomeni, Cibini via Ngwemnyama to Clinic, T168 to Qakeni, Mbodleni to Qakeni, Dumba to Tina falls, T167, T169, T168, T168 to Chief Madolo Dumba A/R, Gandana A/R, Chibini to DumbaA/R Tina falls, Mncetyana, Ngwemnyama, T168 to Methodist church, Ngwemnyama A/R to Graveyard, T168 storm water drainage	Construction and Maintenance
Water	All ward villages Qhakeni, Dumba, Gandana	In progress Extensions
Sanitation	All villages	Extensions

Schools	Mdedelwa JSS,Tsonyana JSS Gandana JSS	Removal of mud school Major renovations
Fencing	All ward villages	Mealie fields and grazing land
Housing	All ward villages	Rural housing
LED	Ngwemnyama Ngwemnyama Gandana Tina falls Dumba All ward village Nkanti Mampingeni, Ngwemnyama	Sinesipho food project, Masizondle Farmers Zesikhanye Disabled project Masikhule Project Khuphindlala coop Dumba Poultry Sheep Dipping Tank Dipping Tank Renovation of Dipping tank
Telecommunications	Tina falls	Post office
Poverty Relief	All ward villages	Massive food production and food security
Community Awareness	All villages	HIV and Aids, Crime, domestic violence, Drug and Alcohol Abuse, Initiation schools
Community Halls And MPCs	All ward villages Mampingeni	Ward centre
Health Facilities	Mampingeni	Clinic and mobiles to other villages
Pre-schools and Daycare Facilities	All ward villages	Pre-school
Sports Facilities	All ward villages Tina falls stadium	All sport codes Renovation
Dipping tanks Stock dams Land care	Dumba, Tina falls, Mdeni All ward villages All ward villages	New constr. New constr. & Renovation

WARD NUMBER 11		
Service	Location	Need
Community facilities	Mbhongweni, Makhoti Mbhongweni	Old Age Home Police Station
Electricity	Makhoti, Ndakana, Endwe, Khwam, Mbhongweni, Magumbini, Mnzana, Sixhotyeni, Mthika, nongingqi	Electricity supply Extensions
Roads	Magumbini to Nzondeni A/R, T163, T167, Caweni to Dudumeni A/R, T163 to Endwe A/R, Zixhotyeni to Mthombe A/R, Mngcengco	New construction

	A/R, Black Surfacing of T167 Nkingeni to Ezixhotyeni A/R, Embhongweni to Endwe A/R, Ezibhodini to Magumbini A/R, Zinkawini to Khwam A/R, Ndakana A/R Bridge at Ntlangano, Tina bridge	Maintenance
Water	All ward villages	Water supply
Sanitation	All villages	Toilets supply
Schools	Mtika SPS, Ndakana SPS, Mzoxolo SPS Mphantaka SPS, Khwam JSS, Mbhongweni JSS, Endwe JSS, Sikll centre (New)	Mud Schools In progress Extension of classes
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Khwam Endwe All ward villages Manzana, Magumbini, Makhoti All ward villages Mbhongweni Ward	Khwam poultry Masimanyane Farming Proj Sheep dipping tank Dipping tank Stock dam & Umngcunube Sheering shed Aforestaion and fencing
Telecommunication	Mbhongweni All ward villages	Post office Poor network coverage and SABC
Poverty relief projects	All ward villages	Umngcunube
Community awareness projects	Endwe	Environmental, Electricity, HIV/Aids, Crime, Gender violence
Community halls MPCCs	All ward villages Manzana	Thusong centre
Health facilities	Mbalisweni clinic Ndakana Other villages	Extension Clinic Mobile
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 12		
Service	Location	Need
Community facilities	Mkhambeni	Satellite police station and old age home
Electricity	All villages	Connection

Roads	From T162 via Sithophiyeni and Bovini to Hlabathi JSS; From T162 Mthombe-Xilinx to Zahobe; Mbombo JSS to Ngonyameni; Bhethani-Nyabeni-Ntilini; From T162 via Mangxamfu to Manxiweni; Streets all ward; From Nkalweni to Dumezweni SPS (Bridge); From T291 to Manxiweni-Buwa; From Dweba SSS to Zahoben; Dumezweni to Tina falls (Bridge) Nodali to Mbombo A/R, T291 to Buwa JSS, T162, Nodali-ward centre to Rwaxeni	New Roads Maintenance
Water	Mbombo No water Buwa water scheme – No water Mangxamfu scheme – No water Hlabathi phase 1 in progress Rwaxeni, Mangxamfu, Buwa, Ntseleni, Mkhambeni	Buwa and Mangxamfu needs new construction Provision of water (Extensions)
Sanitation	Hlabathi and Betani & Disabled, Buwa	New constr. (extensions)
Schools	Ncumbe JSS, Dumile SPS, Zizamele SPS Magubungela Buwa JSS, Hlabathi JSS	Mud schools In progress Extension
Fencing and equipment	All ward villages	Mealie fields and Grazing Camps
Housing	All ward villages	Rural housing
LED	Ntsheleni Mbombo Nyanisweni Ntilini Mangxamfu Buwa All villages	Sikhumbulenati Garden, Luphumlo coop Vukani Coop Nyanisweni Pro, Siyakhula Pro, Dipping tank, Masincedane farming Siyakhula garden Siyakhula Pro. Land care
Telecommunications	Hlabathi, Madiba Rwaxeni	Poor network coverage & TV Post office
Poverty Relief	All ward villages	
Community Awareness Projects	All ward village	Crime, drug and alcohol abuse, HIV & Aids, Environment
Community Halls And MPCCs	All villages Rwaxeni	
Health Facilities	Rwaxeni, Mkhambeni, Hlabathi	Clinics

	All villages	Mobile Clinics
Pre-schools and Daycare Facilities	Tembelani, Mbombo, Vusani, Dumile, Zithulele, Ntsheleni, Gwedane, Hlabathi	Preschool
Sports Facilities	All ward villages	Sport grounds

WARD NUMBER 13

Service	Location	Need
Community Facilities	Gabazi, Samaria Majuba, Samaria	Police Station Old age home
Electricity	Ngxalane, Mpindweni Mdyobe Godini, New Stad, Gabazi, Maxhiweni, Buhlungwana, Mzoboshe, Ngxakolo, Sikhobeni, Samaria, Ngxalane	Electrification In progress Extension
Roads	Godini- Buhlungwana A/R, New Stad A/R, T-road to Ndwaleni- Dumnqeshe, Gabazi- Mpindweni A/R, Gabazi to Madukuda, Matshona to Toleni A/R, Manxiweni (Sikhobeni) Mdyobe to Ngxalane, Mkhambeni to Gabazi, Khaleni to Ngcolekini school, Nkalweni A/R. New Stad to Godini A/r, Buhlungwana to New Stad, T165, Gabazi to Mjilana, Godini to Mpindweni, Mdyobe via Mzoboshe to Ngxalane, Junction Xabane to Samaria, Buhlungwana to Tabasa, Tsibiyane School to Samaria, Samaria, Siphongwe to Mjilana, Gabazi to Mpindweni; Godini- Buhlungwana, Ngxalane Mzoboshe to Mpindweni Samaria, Madukuda and Xabane	New Roads Maintenance Bridges Maintenance of bridges
Water	Mzoboshe, Mdyobe, Matshona, Samaria, Ngxalane, Mpindweni, Buhlungwana, Godini	Water supply Maintenance & addition of taps
Sanitation	Samaria A/A Ngxakolo, Godini, Gabazi,	No toilets Extensions

	Buhlungwana	
Schools	Sikhobeni SPS, Mkhiwane SPS, Nazareti SPS, Zwelisile SPS. Gabazi JSS, Mzoboshe SPS Majuba High School- New School	Mud schools, Prefabs and Extension
Fencing	Mzoboshe, Godini, Ngxalane, New Stad, Ngxakolo A, Mpindweni (Dlangani), Mdyobe, Samaria, Buhlungwana Ngxakolo All ward	Field fencing In progress Grazing Camps
Housing	All ward villages	Rural housing
LED	Gabazi Gabazi, Godini, Mdyobe, Ngxoto Buhlungwana Godini & Mpindweni (Mzoboshe & Dlangani), Samaria, Tabasa Gabazi, Mpindweni (Dlangani), New stad, All ward villages	Gabazi Goat Project Poultry Project, Crop Production Project, Bushman Caves discovered, Siyazama Poultry, Baguqule farming, Siyahluma Veg., Ilitha lethu poultry, Mnqwini veg & Poultry, Happiness orphans Project, Mdyobe goats, Mgcawezulu project, Sizanani project, Mdyobe Sewing, Themba lethu poultry, Masiphilane poultry, Phumalanga piggery, Masizame old age, Sinokhanyo support group, Coceka cleaning proj. Mahlasela group (Maskhandi), Makukhanye Mzoboshe Poultry, Godini project Maintanance of dipping tank Dipping tank Sheep dipping tank Stock dam, Sheering shed, Land care
Telecommunication	Mzoboshe, Skhobeni, Ngxakolo Ngxalane, Mpindweni, Gabazi, Samaria, poor network coverage	SABC
Poverty Alleviation		Food security
Community Awareness Projects		Alcohol and drug abuse, Stock theft, HIV/Aids, Environment
Community Halls And MPCs	All villages	
Health Facilities	New Stad All villages	Clinics & mobile clinics
Pre-schools and Daycare Facilities	All ward villages	

Sports Facilities	All ward villages	Sports ground
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WARD NUMBER 14		
Service	Location	Need
Community Facilities	Mvumelwano Ncalukeni, Ndwane, Tshisane, Balasi Laleni	Ward Centre Old age home Settelite Police Station
Electricity	Mvumelwano 200, Ndwane 10, Upper Roza 15, Lower Roza 20, Zimbileni 15, Laleni 20, Ndasana 25, Ncalukeni 10	Extensions to all
Roads	Laleni to Lotana, Ndwane to N2, Ncalukeni to Qumbu Clinic, Laleni to Manxiweni to Mdeni, Lower Roza to Zimbileni, Makhaladini to Shawbury, Manxiweni to T road, Lower Roza Church to N2, Ndasane to Mjikweni A/R, A/R to Grave yards, Moyeni A/R, Ndwane to A/R (Makhaladini), Sboko to Stadium A/R, Laleni to Ntilini Mvumelwano, Ncalukeni, Lower Kroza N2 to Mkhhaladini, T road Mvumelwano to Gabazi, Ncalukeni A/R, Stadium to Moyeni, Balasi Storm water, Mvumelwano to Makhaladini, N2 Ncalukeni to N2 Roza, Laleni A/R & Bridge	Access Roads Speed humps Maintenance
Water	Laleni, Addition of taps	Mvumelwano water scheme All ward villages
Sanitation	All ward villages	New construction
Schools	Mahobe j.s.s, Lower kroza j.s.s, Ndasane JSS, Ndwane JSS, FET College	New construction
Fencing Land care	Zimbileni, Laleni, Ncalukeni, Ndasana, Lower kroza, Upper Kroza, All ward villages	Mealie Fields, Grazing Camps & Graveyards To fixed donger and fencing grazing camp
Housing	Zimbileni, Laleni, Lower Roza, Ndasana, Ncalukeni, Ndwane,	New construction

	Mvumelwano, Upper Kroza	
Telecommunications	Upper kroza ward villages(SABC) Ncalukeni,	Poor network coverage,mtn and Vodacom, Poor reception network Post office
LED	Mvumelwano, Upper Roza Ncalukeni Ndwane Lower kroza Revival of Laleni Tshisane Ndasane Ward (Tractor)	Women's Garden, Hlanganani Old age, Noni Maqhutyana pro Siyazama Poultry, Uhlaza veg. Old age Grannies, Igqange labafazi Women group, Community garden, Sigugile, Wakeup coop, Ndwane Maize Nursary Nursary, Lalenyouth dev. Community garden, Koluphala Proj. Community garden, Poultry, Sewing(women), Bees(Youth), Fishing, Plantation of Trees, New and Rehabilitation of dams, Goats breeding, Shearing Shed, Vuka gogo, Fruit Orchard, Gardens Ploughing Bee keeping and Fishing, Moyeni Poultry, Siyahluma Victims, Tractor
Poverty Relief	All villages	EPWP, Lima, Greening
Community Awareness Projects	Mvumelwano Lower kroza Ndwane Ndasane, laleni	Crime Crime Rape,alcohol and drug abuse Stock theft
Community Halls And MPCs	All ward villages Mvumelwano	Community Hall Thusong development centre
Health Facilities	Lower Roza All ward villages	Clinics Mobile
Pre-schools and Daycare Facilities	Laleni Ndasane	Daycare centre Daycare centre
Sports Facilities	All ward villages	Sports Grounds and library
Dipping tanks	Ndwane, Upper kroza, Ncalukeni Lower kroza, Balasi, Ndasane All ward villages	New construction Maintenance, Sheep dipping tank
Stock dams	All ward villages	New construction

WARD NUMBER 15

[illegible]

	Luqolweni, Gqunu farms Balasi Marambeni, Zibaneni, Senkunzi, Gqunu Farms Ntsheleni Balasi	Brick making, Masiphile Traco, Gqunu Irrigation scheme. Mining Ubuntu women project, women in agriculture project, Resuscitation of TRACO Old age projects, Sinovuyo Veg. Proj. Landcare
Telecommunications		
Poverty Relief	All ward villages	Siyazondla
Community Awareness Projects	All ward villages	Drug and alcohol and HIV & Aids, Crime
Community Halls	All ward villages Qumbu Town Hall	
Health Facilities	Balasi, Marambeni All ward villages	Clinic Mobile clinics
Pre-schools and Daycare Facilities	Senkuzi, Marambeni Ntsheleni, Luqolweni	Khanyalanga, Siyakhula Luqilima, Nolutkhanyo
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 16		
Service	Location	Need
Community facilities	Matyhameni	Police Station
Electricity	Debeza, Luqolweni, Ncemeni, Konkabi, Nkokweni, Mjikweni, Lower Tyira, Mathyhameni, Mission	Village Extensions
Roads	Nkokweni A/R, Welsh via Mathyhameni to Konkabi Mjikweni A/R, Luqolweni A/R, Ncemeni A/R, Mathyhameni to Nxotwe Clinic A/R, All ward villages Konkabi, Nkokweni, Ncemeni to Matyhameni, Lower Chulunca	New construction Reconstruction Maintenance Streets Bridge
Water	Debeza, Konkabi, Lower Chulunca Mjikweni, Ncemeni, Lower Tyira, Nkokweni, Debeza, Matyhameni Matyhameni, Luqolweni	Water Supply Addition of taps Maintenance

	Ncemeni, Konkabi, Matyhameni, Mjikweni	Borehole
Sanitation	All ward villages except for Mathyameni	Sanitation
Schools	Lower Tyira JSS Konkabi JSS, Mntonontsi SPS Thintwa JSS	Construction Extension of classes Fencing
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	In progress in other villages
LED	Matyhameni Mjikweni Konkabi, Mjikweni, Debeza, Nkokweni All ward villages Luqolweni, Ncemeni, Matyhameni, Lower Tyira Debeza, Nkokweni, Lower Chulunca, Konkabi, Mjikweni Lower Tyira Ncemeni	Vulisango veg., Thandanani Poultry Sisonke Veg., Mjikweni Poultry Dipping tank Landcare Stock dam rehabilitation Sizamele Project Sophumela veg. & Siyazama Poultry
Telecommunication	Matyhameni	Post office
Poverty relief projects	All ward villages	Crop production and other seeds, Mngcunube
Community awareness projects	All ward villages	Drug and alcohol abuse Crime
Community halls MPCCs	All ward villages Matyhameni	
Health facilities	Mjikweni, Luqolweni, Matyhameni, Debeza	Clinic
Pre-schools and Daycare centres	Nkokweni, Konkabi, Mjikweni, Lower Tyira Matyhameni, Ncemeni, Debeza, Lower Chulunca, Konkabi	Pre-school Day care center
Sport facilities	All ward villages	All codes

WARD NUMBER 17

Service	Location	Need
Community Facilities	Mahlungulu All ward villages	Old age home, Police Station Graveyard fencing
Electricity	Madukuda All ward villages	Electricity supply Extension connection
Roads	Mahlungulu A/R, Gqunu A/R, Madukuda A/R, Stitshini A/R, Kanunu A/R, Mnqunyana A/R, Mpidweni A/R, Mphumaze A/R, Madukuda to Mhlangala A/R, Ntsheleni to Mphumaze A/R, Madukuda to Gqunu A/R, Natal to Mjikelweni, Blackhill Streets Mhlangala A/R, Lower Ngcolokini A/R, Black Hill A/R, Upper Ngcolokini A/R, Mzuzanto A/R Madukuda Bridge Mpumaze	New construction Maintenance Construction bridge
Water	Mzuzanto, Mhlangala Lower Ngcolokeni, Upper Ngcolokini, Gqunu, Madukuda, Mphumaze, Mahlunulu-Ext. All ward villages	Water supply In progress Maintenance
Sanitation	Lower Ngcolokini, Zilandana, Mzuzanto, Mahlunulu, Gqunu Upper Ngcolokini	Toilets Extensions
Schools	Lower Ngcolokini SPS, Mphumaze SPS, Mhlangala SPS, Gqunu JSS, Ngcolokeni JSS, Mahlunulu SSS, Mahlunulu JSS, Zilandana JSS, Gqunu J.S.S. Mahlunulu	Mud school Maintenance and Extension of Classes Special School
Fencing	All ward villages	Mealie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Mahlunulu, Zilandana, Mzuzanto, Mphumaze, Gqunu, Mnqunyana, Madukuda, Lower Ngcolokini, Blackhill, Upper Ngcolokini Mahlunulu, Mnqunyana Lower Ngcolokini, Mzuzanto,	Stock dams Dipping tank rehabilitation

	<p>Mpumaze</p> <p>Mphumaze</p> <p>Mnqunyana</p> <p>Mahlungulu</p> <p>All ward villages</p>	<p>New dipping tank</p> <p>Mphumaze veg.</p> <p>Siyakhula Poultry</p> <p>Zamukulungisa Poultry, Siyazama Poultry project</p> <p>Gqunu Rural Development Project</p> <p>Sigcobise veg.</p> <p>Sheep dipping tank, Land care, Shearing shed</p>
Telecommunications	Mahlungulu	Post office
Poverty Relief	All ward villages	Lima
Community Awareness Projects	All ward villages	Crime, Child abuse and HIV&Aids
Community Halls And MPCCs	<p>All ward villages</p> <p>Mahlungulu</p>	Community halls
Health Facilities	Mhlangala, Lower Ngcolokini Gqunu, Madukuda	Clinic Mobile clinic
Daycare Facilities	All ward villages	
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 18		
Service	Location	Need
Community Facilities	Mafusini Mdeni	Siyavuyiswa old age Orphans Home
Electricity	<p>Ngxabane, Lower Lwandlana, Ncoti, Sithangameni, Ngxotho, Sigubudwini, Sikolweni, Mdeni, Mafusini, Sikwayini, Ngxangxasini, Cengcane</p> <p>Marambeni</p>	<p>Extension connection</p> <p>New Connection</p>

Roads	Ngxabane A/R, Albert Ludidi A/R, Lower Lwandlana from T101 to School, St Barths A/R from T132 to Kuyasa shop, Cengcane to St barths, T132 to Stangameni, T132 to Sikolweni, Sigubudwini A/R, T132 Black Surfacing	New construction
	Gqili bridge, Mafusini bridge, Ncoti bridge, Tina bridge, Skwayini	Bridges
	Skwayini to Ngxangxasini A/R, Lower Lwandlana A/R, Sikwayini A/R, Ngxotho A/R, Mafusini A/R	Maintenance
Water	Skwayini, Ngxangxasini, All ward villages	Water supply Maintenance
Sanitation	All ward villages	Extensions
Schools	Ndlelantle JSS, Zamukulungisa SPS, Skwayini JSS, Sithangameni JSS, Albert Ludidi JSS, Gura JSS	Removal of Mud schools and extension of classes
Fencing	All ward village	Grazing Camps, grave yards and Mealie fields
Housing	All ward villages	Rural housing
LED	Mdeni, Gura, Sikwayini, Lower Lwandlana	Cengcane Veg. Bambanani wool growers, Mdeni Veg, Siyazama veg, Manala development, Ntabantsimbi Veg, Ngcoti veg, Yibanathi Pro, Mfundu Esitiyeni Pro, Sohlamgana Pro, Massive wool growers, Mzamo project
	All ward villages	maintenance and construction of Dipping tank
	Mafusini, Nobamba, lower Lwandlana, Sikwayini, Ngxangxasini, Sthangameni, Mdeni, Sikolweni, Ngxotho, Sigubudwini	Sheep dipping tank
	All ward villages	Stock dams and Rehabilitation

		Computer skills
Telecommunications	All ward villages	MTN Coverage is poor
Poverty Alleviation	Skwayini, Mafusini, Lwandlana	Lima
Community Awareness Projects	All ward villages	Crime, Drug and alcohol abuse, HIV Aids, Abuse and rape of old age, Discipline,
Community Halls And MPCCs	All ward villages Ngxabane	Thusong service centre
Health Facilities	Sikwayini All ward villages	Health post not operating Mobiles
Pre-schools and Daycare Facilities		Thambeka pre school, Langalibalele maintenance, Mahlubi day care centre, Nceduluntu day care centre, Mdeni Pre school, Ngcoti Pre school, Ngxabane Pre school, Lower Lwandlani Pre school, Sithangameni pre-school, Noluyolo-Gura PreSchool, Sigubudwini PreSchool, Mafusini PreSchool, Ngxoto Pre school
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 19		
Service	Location	Need
Water Supply	Lwandlana, Tsilithwa, Nonyikila, Nyanisweni & Mthonjeni, Nyaandeni, Mdabukweni Qanqu scheme (All ward villages)	Establish
Community facilities	Nyanisweni	Police station
Electricity	Nonyikila, Mtondela, Mbeza, Tsilitwa	Extensions
Sanitation	All villages except Mthonjeni, Nyanisweni, Lwandlana, Nyandeni Mthonjeni	Establish Extension
Roads T31 Khalankomo to Qumbu Tech School Nyandeni to Nonyikila Tsilithwa via Lwandlana to Cengcane forest Nyandeni – Qanqu	T22 – the great place black surfacing Khalankomo to Tsilitwa T131 to Tembeni School Luqolweni/Nonyikila Lwandlana Nyandeni & Qanqu	Upgrade & Black surface Construction Construction Maintenance & Upgrade Maintenance Maintenance

Cengcane forest to Lwandlana	Lwandlana	
Nonyikila to Nyanisweni	Nyanisweni	Maintenance & Upgrade
Mdabukweni to Mbeza		Construction
Sgubudwini to Mthonjeni		Construction
Sgubudwini to Komkhulu		Construction
Bridges		Repairs
Great place & Qanqu	Sivivaneni & Qanqu	
Maize production	All villages	Tractor supply
Irrigation Scheme		
	Tsilithwa & Nobamba	Establish
Dairy project		
	Qanqu	Establish
Fencing		
	Qanqu & Nobamba	Establish
Aforestation		
	Magxeni, Qanqu, Nonyikila, Nobamba	Fastrek licencing & Implementation
Agro-processing		
	Tsilithwa	Establish
Thusong centre		
	Tsilithwa	Appoint officials
Ward centre		
	Nonyikila	Construction
Agricultural High School		
	Mthonjeni	Fastrek approval & build
		Misolwethu weave and bid work
		Sonombono sewing
		Siyazondla veg and poultry
		Zanendyebo project
		Home made
		Morning star
		Sisanceda gran garden
		Umthombomtsha brick making
		Qanqu brick making
		Maskhule Poultry Project
Housing	All ward villages	Construction
Mbambisa JSS	Tsilithwa	Major renovation
Qhanqu JSS		
	Qanqu, Hostel	Construction
Mdabukweni JSS		
	Mdabukweni	Construction and Sanitation
Thukela JSS & Pre-School		
	Nyandeni	Construction

Magxeni pre-school	Magxeni	Construction
Langeni pre-school	Lwandlana	Construction
Notintsi School		Addition of classes and Access road
Pre-School	Nobamba	Construction
Qumbu Tech and Joubert	Hostel	Construction
Pre school	Mdabukweni	
Pre school	Mthonjeni	
Pre school	Mtondela	
Mtengwane S.S.S.		Addition of classes
Mtondela SPS		Addition of classes
Community Halls & MPCCs	Tsilithwa Nyandeni	Ward centre
Sport Facilities	Nyandeni	Sport field
Health facilities	Nonyikila, Mtonjeni Luqolweni, Mdabukweni	Clinic Mobile clinic

WARD NUMBER 20		
Service	Location	Need
Community facilities	Khalankomo, Khubusi, Etwa Khalankomo	Police Station Old age home
Electricity	Kamastone, Kubusi, Qotira, Mjikelweni, Qwesa	Extensions
Roads	Sikolweni to Khamastone, Khalankomo to Tsilithwa A/R, Ethwa Church to Makuleni A/R, Ethwa A/R, Ezimbengwini to Ediphini A/R, Kamastone to Tsilithwa A/R, Qwesa to Ethwa A/R, Black surfacing from Sulenkama to Ethwa and to Tina, Mjikelweni to Mdabukweni A/R, Magontsini A/R, Ntaboduli to Sithaleni, Sithaleni to Sulenkama, Sijako to Dr Njongwe, Manzaniba to Mabuya, Kopshop to Maxabandile, Phelandaba to Qwesa, Khalankomo Old Clinic to Kwa Qwabaza, Xabadiya A/R, Mjikelweni to Masimini, Qwesa	New Construction

	A/R, Ntaboduli to Tyeni Qwesa to Mjikelweni, Selenkama to Ethwa, Khubusi A/R, Qhanqu to Upper Qotira A/R, Qwesa to Tyemnyama A/R, Nomjezi to Nyandeni, Gqwesa to Kubusi, Etwā to Mjikelweni, Kubusi A/R, Gwadana to Tyeni, Tyemnyama	Maintenance
Water	All ward villages Khalankomo, Ethwa, Qotira, Mjikelweni	Maintenance (No water) Extensions
Sanitation	Etwā & Khamastone Qwesa & Mjikelweni	Sanitation Incomplete
Schools	Zimbengwini JSS, Ethwa JSS, Kamastone JSS, Bavuma JSS, Mjikelweni JSS, Qwesa JSS, Xabadiya JSS, Qotira JSS, Etwā J.S.S. Skill centre and High School	Mud schools Extension of classes
Fencing	Ethwa, Khubusi, Mjikelweni, Qotira, Khalankomo, Ntaboduli, All ward villages	Mielie fields Grazing land, Grave yards
Housing	All ward villages Kalankomo white house	Rural Housing Renovation
LED	Ezimbengwini Qwesa Qotira Mjikelweni Ethwa Qotira Qwesa Kamastone Khalankomo Tyemnyama Khubusi Qwesa	Loyiso farmers coop. Masiphakameni Coop, Sisonke Pr. Sikelela poultry, Zizamele piggery Siyazondla, Siyavana Pro. Sande Mahlubi Coop, Siyazama Ve Iphupha Coop ABS Bakery primary Coop Vuyolwethu poultry KamastonePoultry, Baking Porj. Makukhanye Veg Tyemnyama Poultry, Klaas Proj. Iyakhanya garden, Hayi Yiyeye Poultry Vukuzenza old age garden Zenzeleni garden, Zithonga

Roads	Hukwini-Mpendle-Sixhotyeni A/R, Tsilitwa via Thikolwana to T22, Mangcuseni to Ntsohle A/R, Mhaga Stop to Sidumana A/R, T22 to Sitishini A/R, Maladini to Ntubini Sitishini to Bunene A/R, Sulenkama to Sangqu A/R, Ntabasgogo to Hukwini A/R, Sulenkama to Ntubeni A/R, Maladini to Nyango, Marambeni to katkop	New Construction Maintenance
Water	Upper Chulunca Water Scheme, Ntabasgogo water scheme, Bunene water scheme, Gqukunqa water scheme	Maintenance
Sanitation	All ward villages	Toilet supply
Schools	Bunene PS, Maladin JSS, Sangqu JSS Sulenkama SSS,	Removal of mud school Renovation
Fencing	Sulenkama, Dumaneni-Mthozela, Hukwini-Ndoyi, Maladini-Nyango-Manxeleni	Mealie fields
Housing	All villages	Rural housing
LED	Dumaneni Sitishini Thikolwana Mthozela-Dumaneni Sangqu Gqukunqa, Sulenkama, Mthozela Bunene, Ntsohle, Hukwini-Ndoyi, Ngqwanenei, Ngcoti, Manxeleni Banking facilities & EPWP Ntabasigogo, Ntsohle, Sangqu, Gungqwana Jokweni/Thikolwana Nyango, Jokweni/Thikolwana Sitishini, Ntabasgogo, Nyango, Jokweni, Ntabasgogo, Nyango, Sangqu All villages	Thembisa proj. Thembani proj. Nompumelelo Proj. Mthozela/Dumaneni Barkery Sangqu barkery, Sophumela proj., Khanya proj. Mining A-forestation Dipping tank, Makukhanye Proj. Maintenance (Dipping tank) Shearing shed Stockdans Land care
Telecommunication	Sulenkama Sizindeni, Hukwini, Ndoyi, Bunene, Sitishini, Ntabasgogo, Ntsohle, Maladini	Post office No cell net work signals, SABC Network
Poverty relief projects	All ward villages	Food security projects
Community awareness projects	All ward villages	Safety and Liaison.
Community halls MPCCs	All ward villages Sulenkama	Thusong centre
Health facilities	Nyango, Maladini, Manxeleni, Mpendle, MaQwathini, Sixhotyeni, Mpehlo	Clinics Mobile clinics

	Nyango	
Pre-schools and Daycare centres	Ndoyi, Sitishini, Jokweni, Sangqu, Thikolwana, Bunene, Mthunzini, Ntsohle, Mpendle, Dimaneni2, Hukwini, Dumaneni preschool	New construction Needs furniture
Sport facilities	All ward villages Community library (Sulenkama)	All codes

WARD NUMBER 22		
Service	Location	Need
Community facilities	Caba	Police station Old age home
Electricity	Ngqongweni, Ngxabaxha, Upper Chulunca, Ngqakaqeni, Mpetsheni, Sibomvaneni	Extensions
Roads	T195 to Mpetsheni, Detyana to Maqanyeni, Detyana to Nkalweni, Upper Chulunca to Mthozela, T195 to Mafusini, Ntubeni to Gqwaneni, Gunqwane A/R, Mthozela to Ngxabanxa, Ntubeni to Ngcoti, Nogqogqo to Upper Chulunca, Caba to Ngqukunqa, Nkokweni via Ngqongweni to T195, Gungqwane to Gqukunqa, Mafusini to Gqukunqa, T195 to Nkalweni Mabholompa bridge T195 to Ngxabaxha, T195, Komkhulu to Kwazulu, Luxeni to Sulemkama, Gunqwane to Maqanyeni School, Upper Chulunca to Machibini, Machibini to Sulenkama, Ngqakaqeni to Caba, T195 to Ngqongweni, T195 to Detyana, Sulenkama to Luxeni, Tsitsa Bridge, Mabholompa bridge,	New Construction New construction Maintenance
Water	All ward villages All ward villages	Extensions Water problem and connection, addition of taps
Sanitation	Upper Chulunca, Gqukunqa, Gungqwana, Shukunxa, Ngqakaqeni, Ngqongweni, Komkhulu, Luxeni, Mrholweni, Maqanyeni, Saphompolo, Ngxabaxha, Machibini, Mpetsheni Caba	Supply of sanitation Addition of Toliets
Schools	Zanokhanyo JSP, Ngqukunqa SPS, Kwantabankulu SPS, Upper Chulunca SSS,	

	Gungqwana JSS, Maqanyeni SPS, Krancolo JSS, Detyana JSS, Buhlebelizwe JSS, Upper Chulunca JSS, Shukunxa JSS, Ngqakaqeni JSS, Zwelivumile SPS, Ngqongweni village and Caba	Mud Schools Extension of classes New school, Technical school
Fencing	Ngqongweni, upper Chulunca, Detyana, Sibomvana, Mpetsheni, Mafusini, Ngqakaqeni, Saphompolo, Caba, Luxeni, Mrhoweni, Ngqukunqa, Gungqwane, Ngcoti, Maqanyeni All ward villages	Mielie fields Grazing fields
Housing	All ward villages	Rural housing
LED	Langeni Upper Chulunca Shukunxa Caba Gqukunqa Detyana Ngxabaxha Ngqakaqeni Sibomvaneni All ward villages Gungqwana, Ngcoti Caba, Upper Chulunca, Shukunxa, Kwantabankulu All ward villages	Elangeni fruit and veg. Conscious people of Africa Kuyasa Poultry, Siyazama veg Buta Sayolo poultry Zama zama project Fundulwazi garden Nomzamo proj. Caba red meat Siyazama proj. Siyakhuthaza Poultry Thinga Farming Project Sheep dipping tank Dipping tank Renovation dipping tanks Sheering shed Land care
Telecommunication	All ward villages	SABC, other networks
Poverty relief projects	Mngcunube	Food Security
Community awareness projects	All ward villages	Environment, HIV/Aids, Drug and alcohol abuse, Teenage pregnancy, Crime
Community halls MPCCs	All ward villages Kwantabankulu	
Health facilities	Upper chulunca, Ngqukunqa, Other villages	Clinic Mobile
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 23

Service	Location	Need
Community facilities	Siqikini Other villages Nozityana, Magqubeni	Police Station Satellite police station Old age home
Electricity	All ward villages	Extensions
Roads	Kimbili 1 to kimbili 2 A/R, Bajodini A/R, Bala Tyira, Bajodini to Siqikini Chokomfeni A/R, Bajodini to Blackhill	New Construction Maintenance
Water	Kokstad, Moyeni All ward villages	Water Supply Maintenance and addition of taps
Sanitation	All ward villages	toilets
Schools	Nomzamo SPS, Chokomfeni JSS, Nxanxadi JSS, Middle Tyira JSS, Lingelihle JSS Kimbili JSS,	Mud school Extension of classes
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Kimbili2 Nozityana Bhelekence All ward villages Mmangweni, Kimbili2, Bajodini All ward villages	Valindlala veg, Lilitha proj. Siyakhula Proj Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams Stock breeding
Telecommunication	Nozityana, Magqubeni	Poor net work coverage and TV pole, Post office
Poverty relief projects	Umngcunube	Food security
Community awareness projects	All ward villages	Crime, HiV/Aids, Teenage pregnancy, Environment, Drug and alcohol abuse.
Community halls MPCCs	All ward villages	
Health facilities	Siqikini, Chokomfeni All ward villages	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 24

Service	Location	Need
Community facilities	Magutywa, Upper Malepe-lepe Magutywa	Satellite Police Station Old age home
Electricity	Xhentu Rustenburg, Ntshongweni, Drayini, Magutywa No. 8, Ndzebe, Nxotwe, Upper Malepe-lepe, magutywa No. 9, Lower Malepe-lepe	Electric Supply Extension
Roads	Chekwayo to Ntshongweni, Chekwayo to Nkokweni great place, Ngele A/R, Silevini A/R, Nxotwe to Nkonkabi, Nzebe A/R, Tsolo to Bhinjwa, Lower Malepe-lepe A/R Chulunca to Ntshongweni, T199, T200, Magutywa 9 &8, Kwa Bhatyi to Drayin Tsitsa river, Ngcolosi river	New Construction Maintenance Bridge
Water	Malepe-lepe, Ndzebe, Mncetyana, Magutywa, Cekwayo, Nxotwe,	Water Supply Maintenance
Sanitation	Nxotwe Ndzebe, Malepe, Mncetyana	Toilet supply Completion
Schools	Daluhlanga SSS, Skills centre Nxotwe JSS, Malepe JSS, Zanebandla JSS, Magutywa JSS, Lower Malepe lepe JSS Lower Malepe-lepe	New Construction Extension of Classes School hall
Fencing	All ward villages except Ntshongweni	Mielie fields and grazing land, Ndzebe pre school
Housing	All ward villages	Rural Housing
LED	Magutywa 9 Ndzebe Nxotwe Upper Malepe Lower Malepe lepe All ward villages Ntshongweni, Nxotwe, Mncetyana, Ndzebe Chekwayo, Mncetyana, Ndzebe All ward villages	Khanyisa poultry Ndzebe youth proj. Zanoncedo proj. Siyazama proj. for Disabled Masithembe Sophumelela, Masikhule sewing, Nceduluntu coop Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams
Telecommunication	Chekwayo, Nxotwe, Malepe, Magutywa Nxotwe, Malepe	Poor network coverage Post office
Poverty relief projects		

Community awareness projects	All ward villages	HIV/Aids, Environment, Drug and alcohol abuse, Crime
Community halls MPCCs	All ward villages Malepe	
Health facilities	Magutywa, Mncetyana,	Clinic
Pre-schools and Daycare centre's	All ward villages except for Ndzebe	
Sport facilities	All ward villages	All codes

WARD NUMBER 25		
Service	Location	Need
Community facilities	Bheja Toleni and Ncumbe	Old age home Police Station
Electricity	Tsolo, Ngqongo, Goxe, Ncumbe, Mambalweni, Bhubesi, Bheja, Sithaleni, Notanaza, Mfundisweni, Magqagqeni, Toleni	Electric Supply Extensions
Roads	Magqagqeni to kholisa, Sithaleni to Kholisa, Bhubesini to Tsolo, Mfundisweni to Toleni, T125 to Ntseleni, Matshona to Toleni JSS, T126, T291, T125 to Ncumbe, bheja to Toleni, Ngxalane to Mzoboshe T291 to Ngqongo, Toleni A/R, Ngqongo to Bhuwa JSS, Tsolo A/R, Ngxalane to Mzoboshe	New Construction Maintenance
Water	Mfundisweni, Buwa water scheme, Sithaleni Mfundisweni, Bhubesini, Toleni, Ncumbe, Notanaza, Tsolo	Water Supply No water and needs addition of taps Fencing of springs and boreholes
Sanitation	All ward villages	Renewal of toilets
Schools	Sizwe SPS, Kholisa ville JSS, Ntsheleni SPS, Siyoyo JSS, Toleni JSS, Ngqongwa, Toleni SSS Skill centre	Mud School New construction
Fencing	All ward villages	Mielie fields and Grazing lands
Housing	All ward villages	Rural housing
LED	Magqagqeni Papane (Makukhanye Project) Notanaza Ncumbe	Sibonile sewing project Masivuyisane proj, Papane Agriculture Project Notanaza youth Proj Ncumbe barking, Sinenjongo

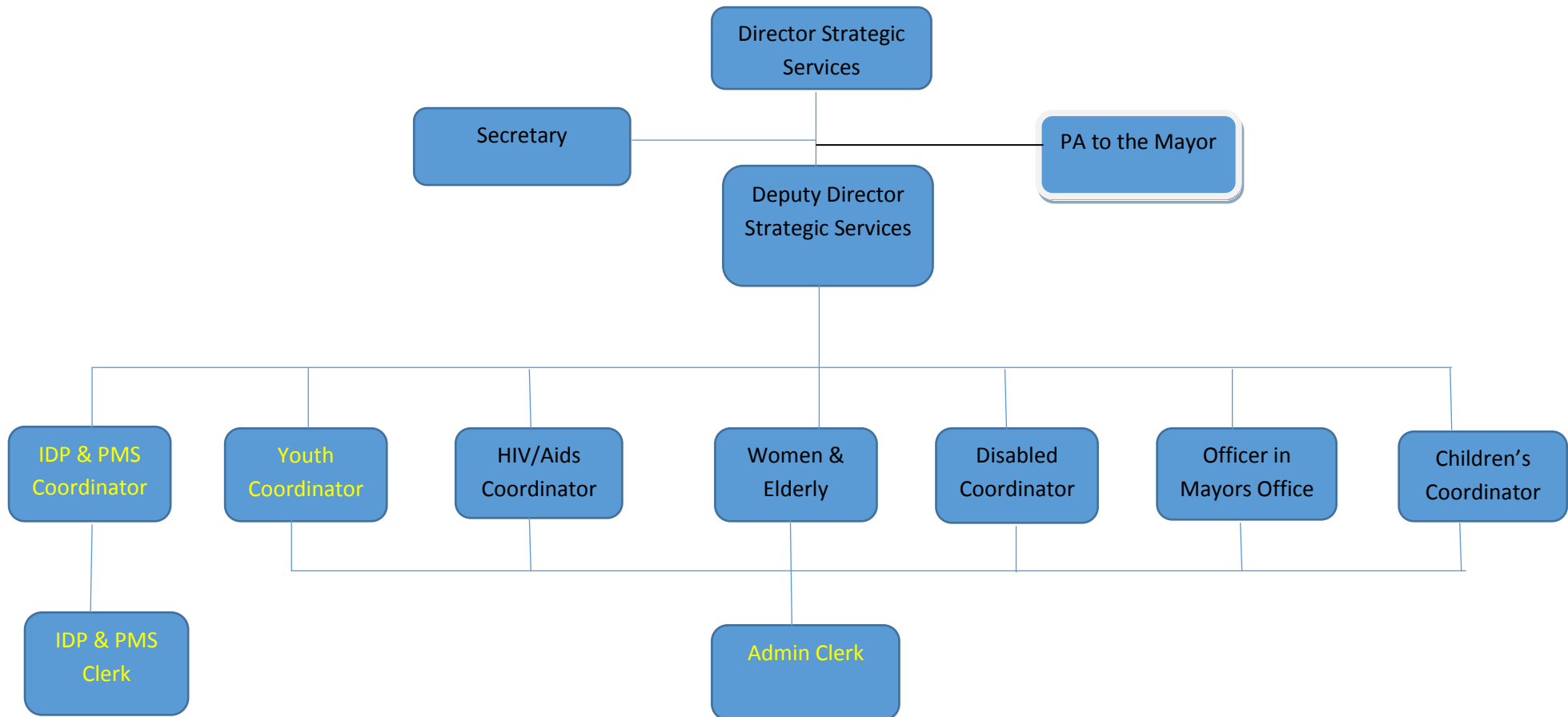
	<p>Ngqongo</p> <p>Toleni</p> <p>Sthaleni</p> <p>Mbenja</p> <p>All ward villages</p> <p>Ngqongo, Ncumbe, Toleni</p> <p>Bhubesini</p> <p>Sthaleni</p> <p>All ward villages</p>	<p>Coop.</p> <p>Siyazama Poultry, Mdyobe goat, Khanya wemans proj.</p> <p>Masondlane garden, Mayibuye poultry, Ndumiso Coop, Masizame Sewing.</p> <p>Bhongoletu poultry</p> <p>Siqalo Poultry Proj</p> <p>Stock dams and ,maintenance, dipping tank</p> <p>maintenance of sheep Dipping tank</p> <p>Maintenance dipping tank</p> <p>Sheering shed maintenance</p> <p>Sheering shed</p> <p>Land care</p>
Telecommunication	<p>Toleni</p> <p>Mdyobe</p>	<p>Post office</p> <p>Poor network coverage MTN</p>
Poverty relief projects	All ward villages	Formation of coops, planting our gardens
Community awareness projects	All ward villages	Environment, Crime, Drug and alcohol abuse, HIV/Aids, teenage pregnancy.
Community halls MPCCs Ward centre	<p>All ward villages</p> <p>Ncumbe</p> <p>Tsolo</p>	
Health facilities	<p>Beja</p> <p>Other villages</p>	<p>Clinic</p> <p>Mobile</p>
Pre-schools and Daycare centres	All ward villages	Construction and Maintenance
Sport facilities	All ward villages	All codes, Tsolo sport ground

WARD NUMBER 26		
Service	Location	Need
Community facilities	Cingco Tshisane, Lotana's gate	Old age home Police Station
Electricity	Jojweni, Nkanini, Tshisane, Cingco, Gwali	Extension
Roads	<p>Cingco to Gwali A/R, N2 to Mdeni A/R, Nkanini to Tshisane, T170 to Mandundu</p> <p>T170 to Mbutho, T170, T170 to Cingco, T170 to Gwali, N2 via Tshisane to Cingco, N2 to Nkanini to Mhlakulo, T170 to T171, Speed humps (Jojweni)</p>	<p>New construction</p> <p>Maintenance</p>

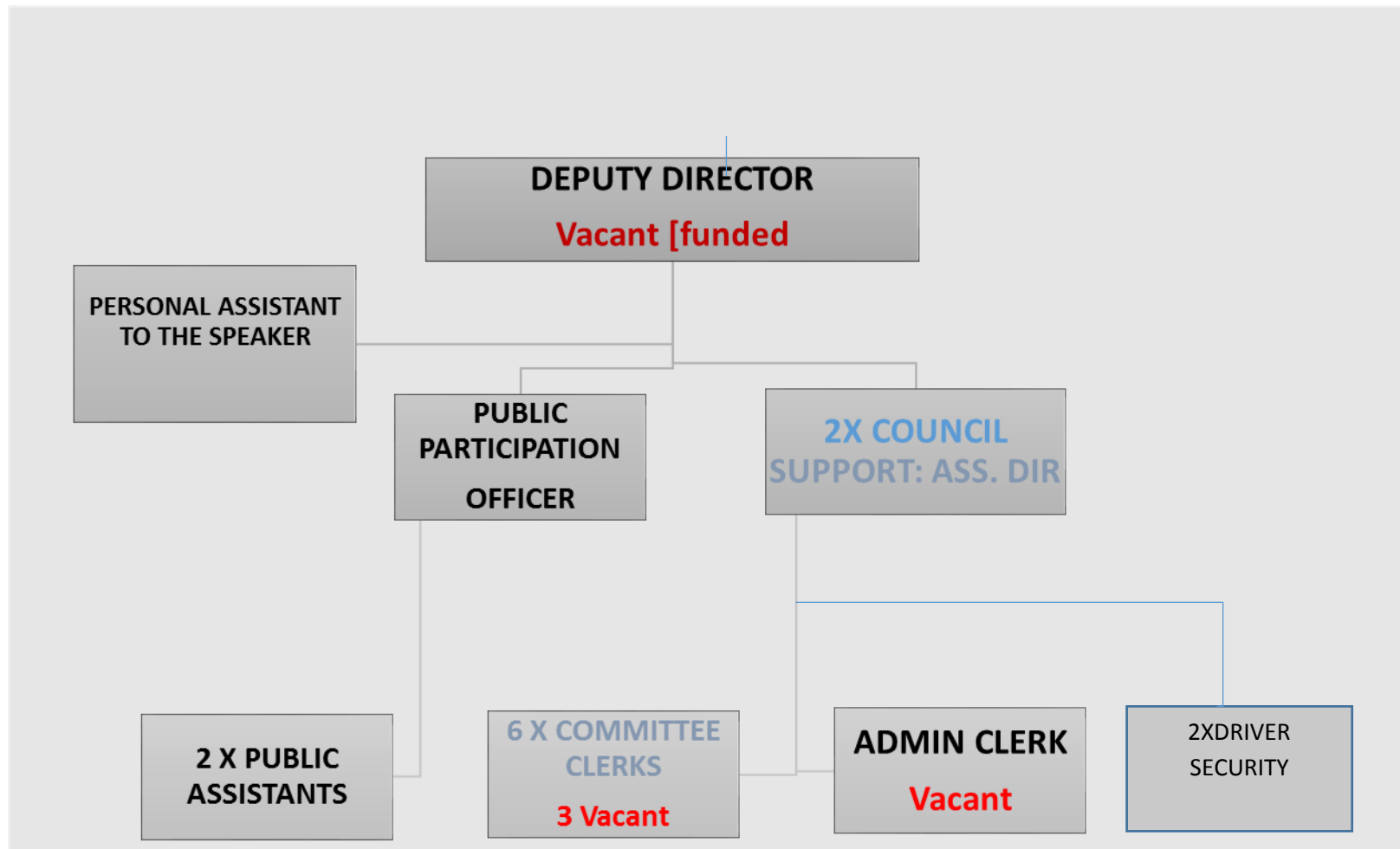
Water	All ward villages Tshisane, Upper Lotana, Gwali, Mbutho, Cingco	Addition of taps Maintanance
Sanitation	All ward villages	Addition of toilets
Schools	Cingco JSS, Vukani Kusile JSS, Mchatu JSS, Leppan JSS, Upper Lotana JSS, Gwali	Mud School Extension of classes High school
Fencing	All ward villages Cingco, Mbutho, Gwali, Upper Lotana	Grazing land & Graveyards Miellie fields
Housing	All ward villages	Rural housing
LED	Nkanini Mbutho Gwali Tshisane Upper Lotana Cingco Sidwadweni All ward villages Upper Lotana Sdwadweni, Gwali, Mbutho Cingco, Tshisane All ward villages	Siyazama poultry, Someleze sewing Eyethu project, Khulani proj, Jongimpumelelo Proj Nosisa project Vuyisanani project, Tshisane Proj. Upper Lotana women, Makukhanye poultry Cingco youth hard workers Someleze proj, Sidwadweni Proj, Sophumelela Proj. Sheep dipping tank Dipping tank Rehabilitation of dipping tank Sheering shed Land care, Stock dams maintenance
Telecommunication		
Poverty relief projects		Siyazondla, Mngcunube
Community awareness projects	All ward villages	HV/Aids, environment, Teenage pregnancy, Crime, Drug and Alcohol abuse
Community halls MPCCs Ward centre	All ward villages Cingco	
Health facilities	Upper Lotana, Cingco, Mbutho	Clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

ORGANOGRAM 2014/2015

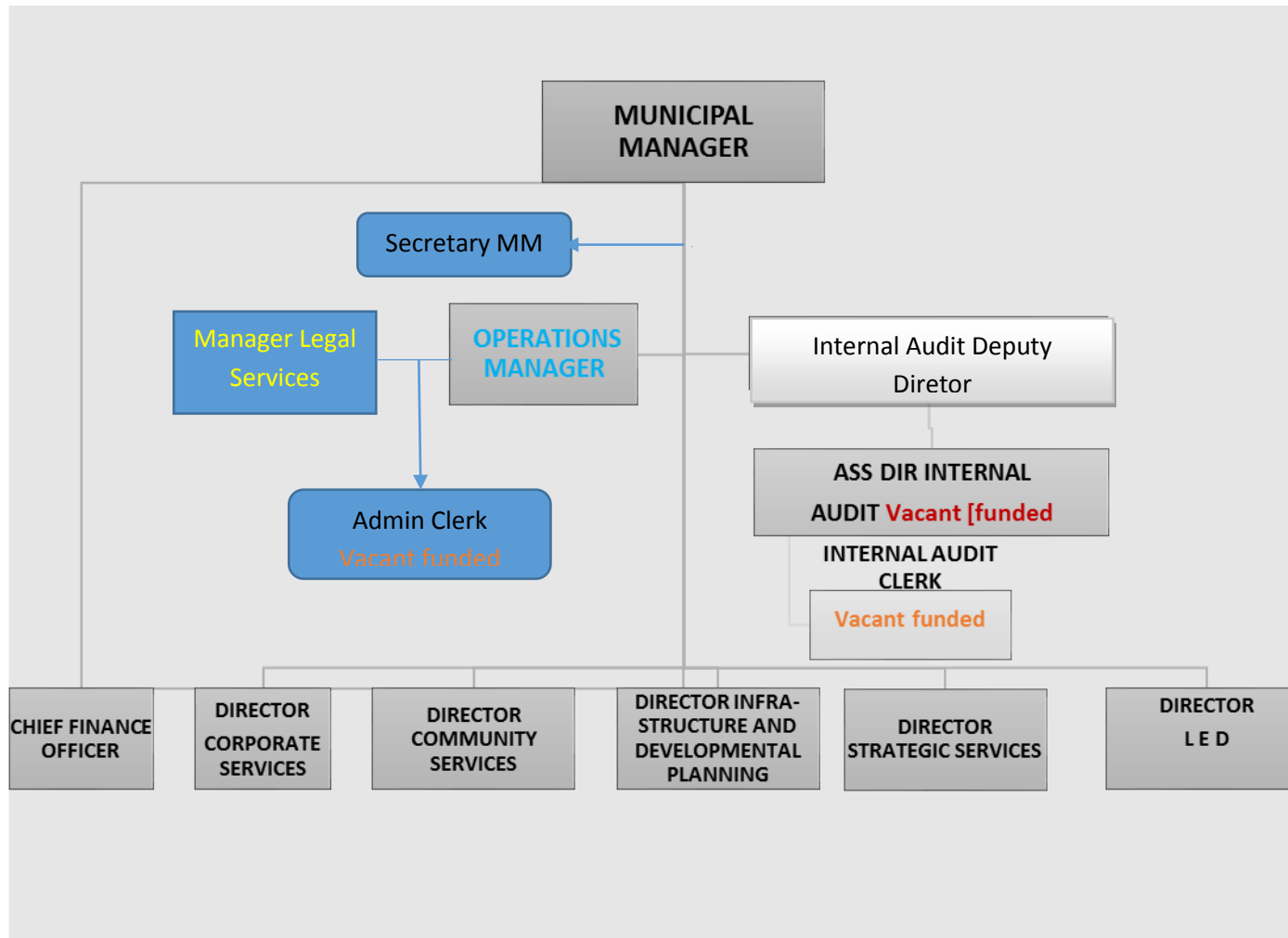
MAYOR'S OFFICE 2014-15



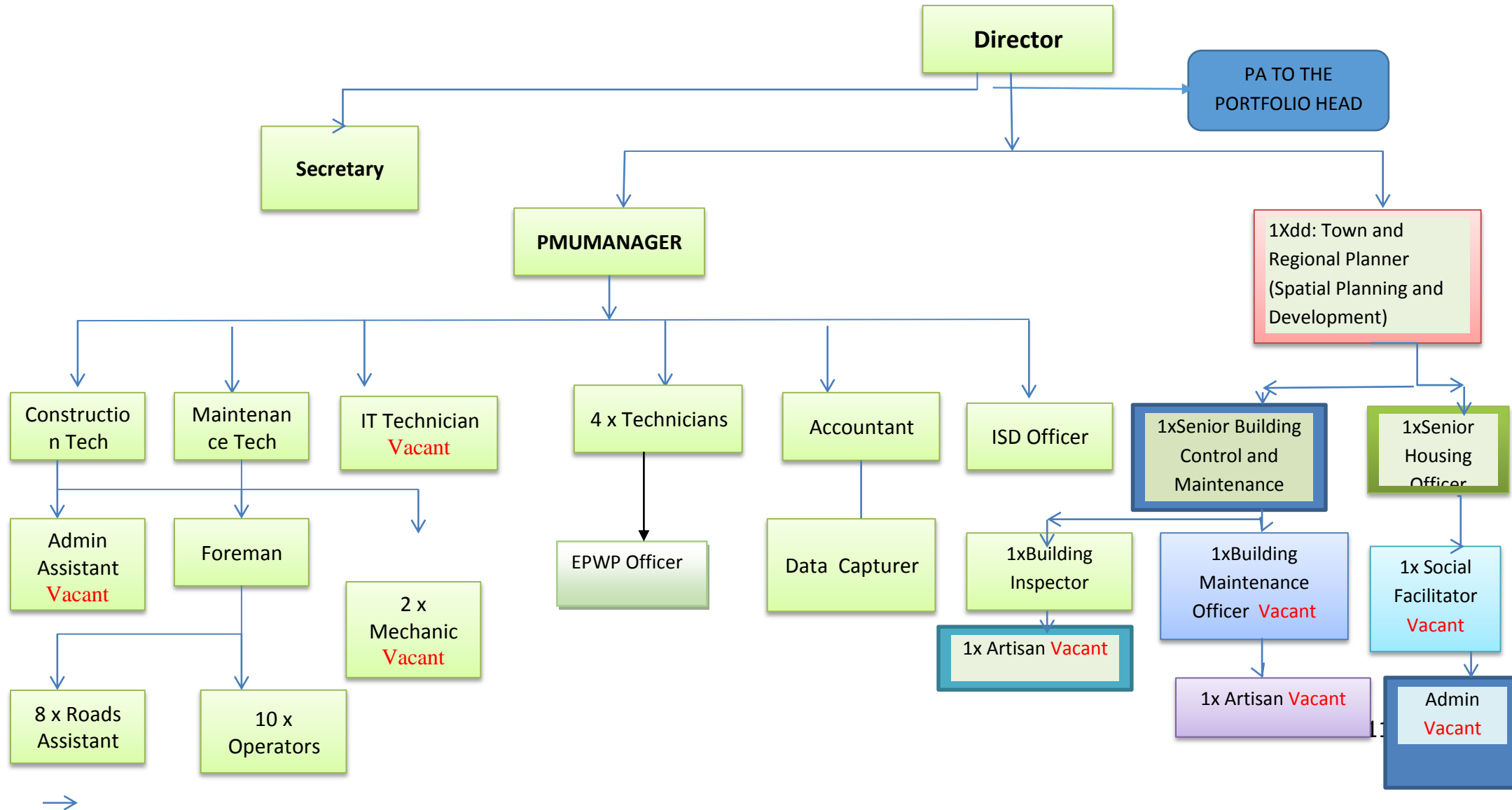
SPEAKER'S OFFICE 2014-2015



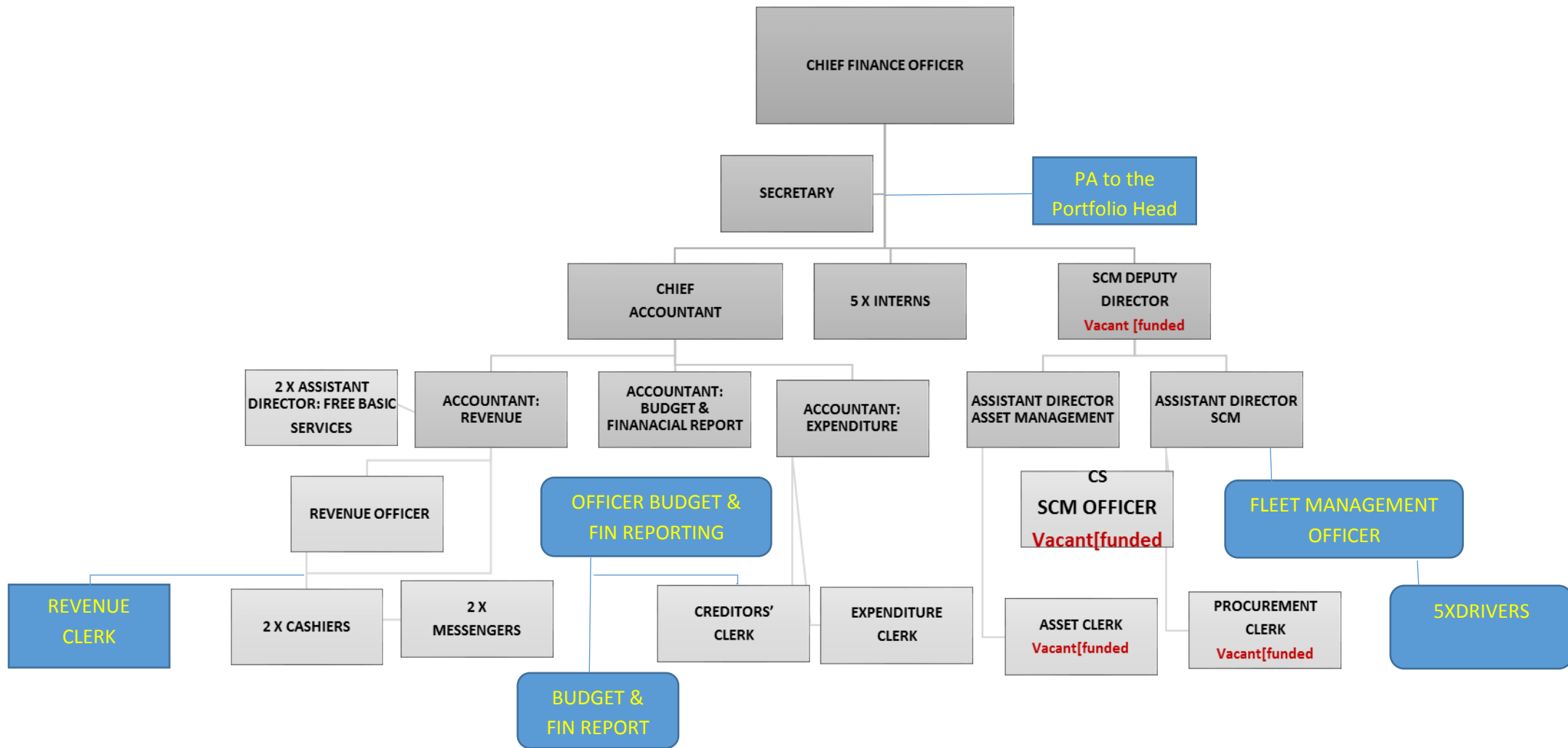
MANAGEMENT 2014-15



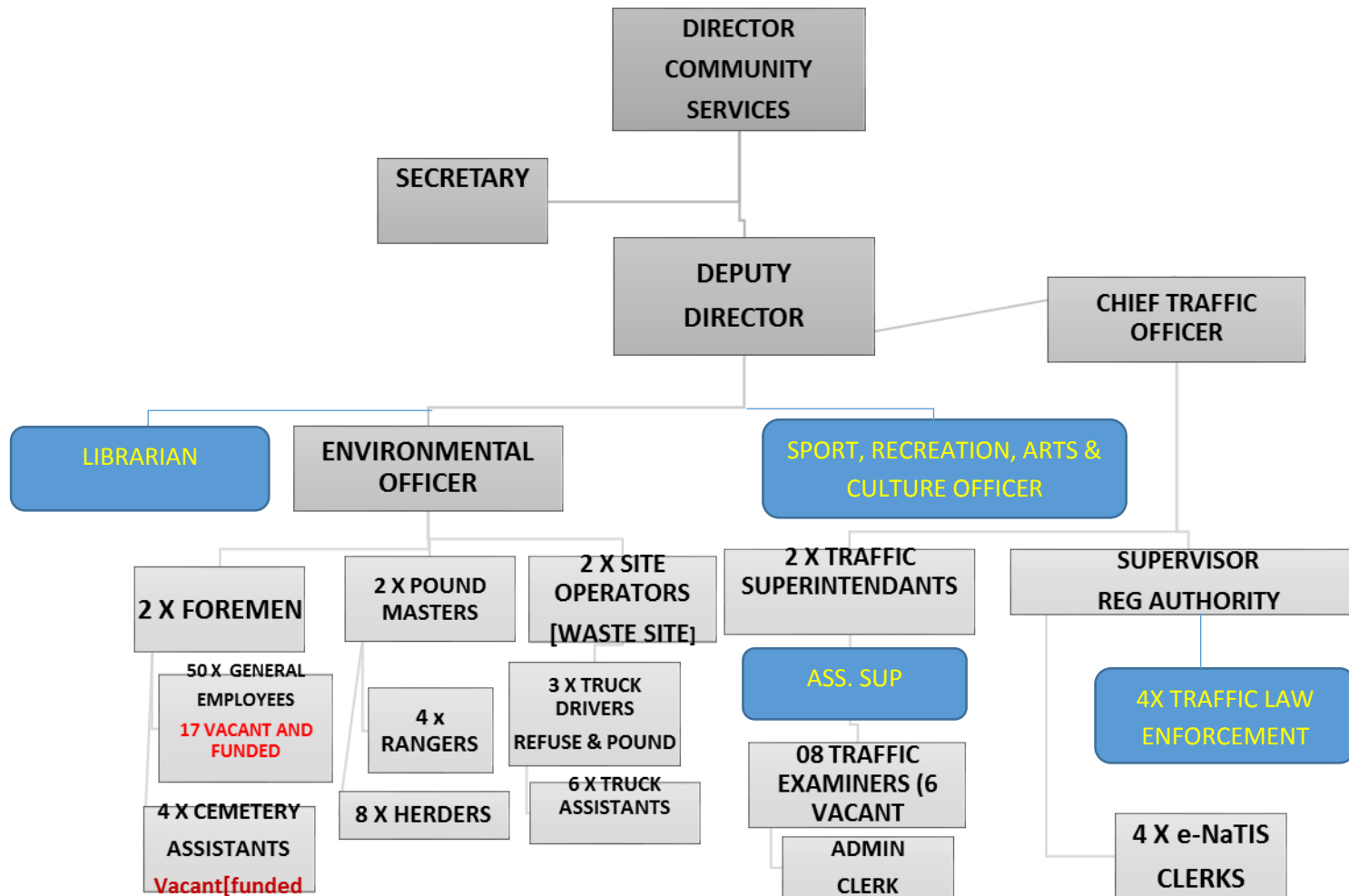
INFRASTRUCTURE DEVELOPMENT AND PLANNING



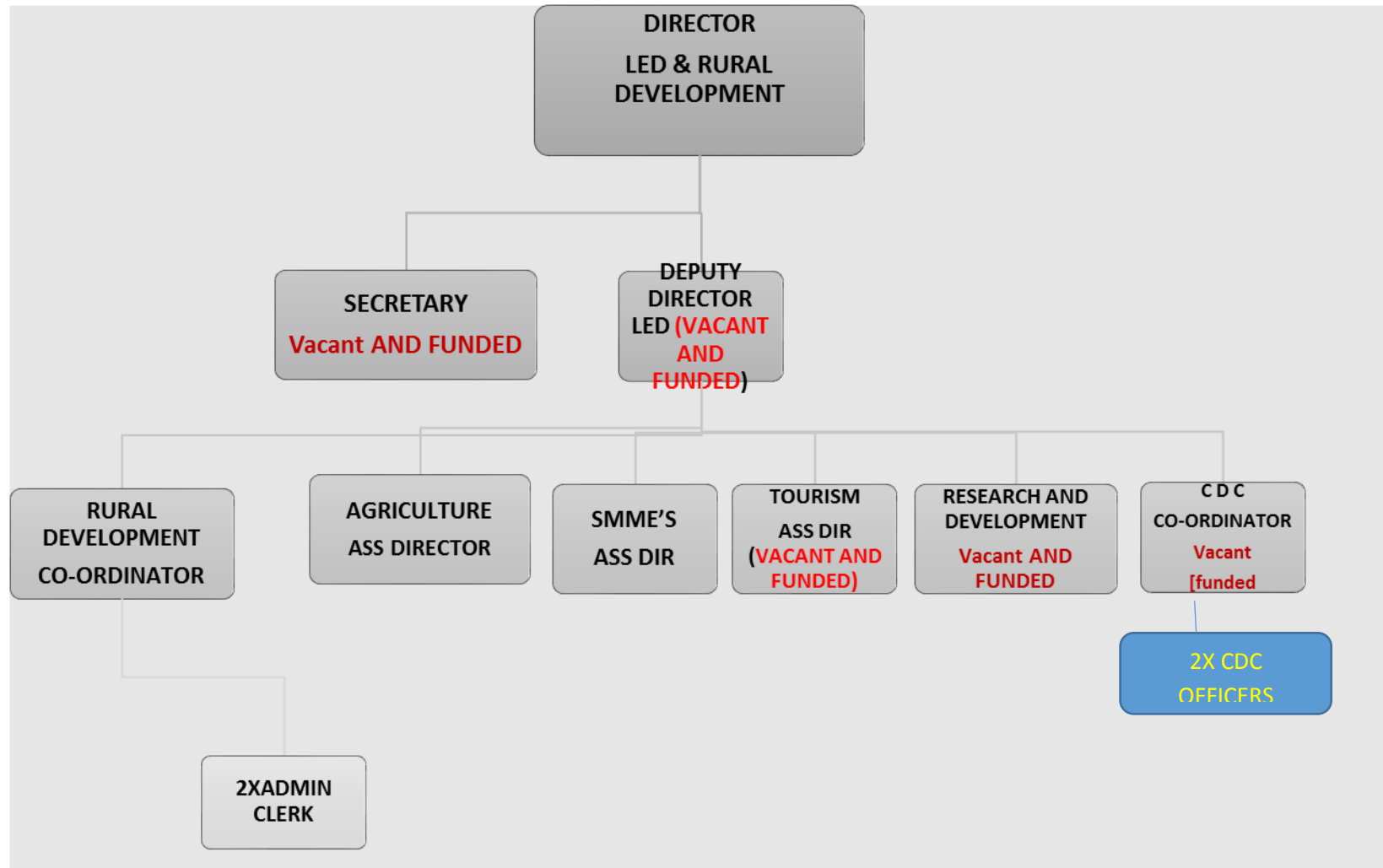
Budget and Treasury Office 2014/2015



Community Services 2014-15



LOCAL ECONOMIC AND RURAL DEVELOPMENT 2014-15



CORPORATE SERVICES DEPARTMENT 2014-15

